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# The United States Congress and Venezuela's Hugo Chávez

Mariano J. Beillard

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FLORIDA INTERNATIONAL UNIVERSITY

Miami, Florida

THE UNITED STATES CONGRESS AND VENEZUELA'S HUGO CHÁVEZ

A dissertation submitted in partial fulfillment of the  
requirements for the degree of

DOCTOR OF PHILOSOPHY

in

POLITICAL SCIENCE

by

Mariano J. Beillard

2009

To: Dean Kenneth Furton  
College of Arts and Sciences

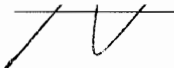
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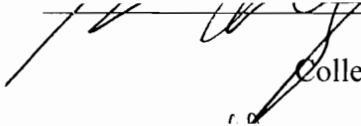
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Florida International University, 2009

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## DEDICATION

I dedicate this dissertation to my parents Jorge and Martha Beillard, who instilled in me the passion to study a government's duty to serve its citizenry as well as a citizen's duty to serve the government.

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In preparing this study I received immeasurable assistance, guidance, and recommendations from many patient family members, friends, and understanding work colleagues. Hannelene has been especially patient and supportive over the years and still manages to make me laugh and not take myself too seriously.

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Last but not least I also thank my committee for helping me finish this venture. Without their help and guidance over the years, this accomplishment would not have been possible. I especially thank Dr. Eduardo Gamarra for his guidance over the years.

ABSTRACT OF THE DISSERTATION

THE UNITED STATES CONGRESS AND VENEZUELA'S HUGO CHÁVEZ

by

Mariano J. Beillard

Florida International University, 2009

Miami, Florida

Professor Eduardo Gamarra, Major Professor

The Soviet Union's dissolution in December 1991 marks the end of the Cold War and the elimination of the United States' main rival for global political-economic leadership. For decades U.S. foreign policymakers had formulated policies aimed at containing the spread of Soviet communism and Moscow's interventionist policies in the Americas. They now assumed that Latin American leftist revolutionary upheavals could also be committed to history.

This study explores how Congress takes an active role in U.S. foreign policymaking when dealing with revolutionary changes in Latin America. This study finds that despite Chávez's vitriolic statements and U.S. economic vulnerability due to its dependence on foreign oil sources, Congress today sees Chávez as a nuisance and not a threat to U.S. vital interests. Devoid of an extra-hemispheric, anti-American patron intent on challenging the United States for regional leadership, Chávez is seen by Congress largely as a threat to the stability of Venezuela's institutions and political-economic stability. Today both the U.S. executive and the legislative branches largely see Bolivarianism a distraction and not an existential threat.



The research is based on an examination of Bolivarian Venezuela compared to revolutionary upheaval and governance in Nicaragua over the course of the twentieth century. This project is largely descriptive, qualitative in approach, but quantitative data are used when appropriate. To analyze both the U.S. executive and legislative branches' reaction to revolutionary change, Cole Blasier's theoretical propositions as developed in the *Hovering Giant: U.S. Responses to Revolutionary Change in Latin America 1910-1985* are utilized. The present study highlights the fact that Blasier's propositions remain a relevant means for analyzing U.S. foreign policymaking.

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## LIST OF ACRONYMS AND ABBREVIATIONS

ABC	American Broadcasting Corporation
ACILS	American Center for International Labor Solidarity
AD	Acción Democrática – a Venezuelan political party
AEI	American Enterprise Institute
AF	Africa
AFL - CIO	American Federation of Labor – Congress of International Organizations
ALBA	Bolivarian Alternative for the Americas (Alternativa Bolivarian de las Américas)
BBC	British Broadcasting Corporation
BBP	Barrels-per-day
BP-AMOCO	British Petroleum – American Oil Company (formerly Standard Oil of Indiana). BP since 2000
BRV	Bolivarian Republic of Venezuela
CAGR	Compound Annual Growth Rate
CANTV	Compañía Anónima Nacional de Teléfonos de Venezuela
CIA	Central Intelligence Agency
CIPE	Center for International Private Enterprise
CITGO	CITGO Petroleum Corporation, a subsidiary of Petróleos de Venezuela, S.A.
CONAPRI	Venezuelan Council for Investment
COPEI	Comité de Organización Política Electoral Independiente – a Venezuelan political party
CPI	Consumer Price Index

CRS	Congressional Research Service
CY	Calendar Year
D	Democratic Party – a United States political party
DIA	Defense Intelligence Agency (United States Department of Defense)
DOD	United States Department of Defense
DOE	United States Department of Energy
DOS	United States Department of State
DR–CAFTA	Dominican Republic – Central American Free Trade Agreement
DWT	Dead Weight Tonnage
EIA	Energy Information Agency
EIU	Economist Intelligence Unit
ELN	National Liberation Army (Ejército de Liberación Nacional) – Colombian revolutionary movement
EOP	United States Executive Office of the President – The White House
EURASIA	Europe and Asia
FARC	Revolutionary Armed Forces of Colombia (Fuerzas Armadas Revolucionarias de Colombia) – Colombian revolutionary movement
FAS	Foreign Agricultural Service (United States Department of Agriculture)
FLN	National Liberation Front (Frente de Liberación Nacional) – Nicaraguan revolutionary movement
FMLN	Farabundo Martí National Liberation Front (Frente Farabundo Martí para la Liberación Nacional) – former Salvadorian revolutionary movement and current political party
FOIA	Freedom of Information Act
FONDEN	National Development Fund (Fondo Nacional de Desarrollo)

FSI	Foreign Service Institute (United States Department of States)
FSLN	Sandinista National Liberation Front (Frente Sandinista de Liberación Nacional) – former Nicaraguan revolutionary movement and current political party
FTA	Free Trade Agreement
FY	Fiscal Year
GAO	United States Government Accountability Office
GDP	Gross Domestic Product
GPO	United States Government Printing Office
GRN	(Nicaragua) Government of National Reconstruction (Gobierno de Reconstrucción Nacional)
GWOT	Global War on Terror
HIPC	Heavily Indebted Poor Countries
H.R.	House Resolution
HS	Harmonized (Tariff) System (Number)
IADB	Inter-American Development Bank
IMF	International Monetary Fund
IRI	International Republican Institute
ME	Middle East
MERCOSUL	Common Market of the South (Mercado Comum do Sul, in Portuguese)
MERCOSUR	Common Market of the South (Mercado Común del Sur, in Spanish)
MNR	Movimiento Nacional Revolutionario – a Bolivian political party
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization

NDI	National Democratic Institute for International Affairs
NED	National Endowment for Democracy
NGO	Non-Governmental Organization
NSA	National Security Advisor
NSC	National Security Council
OAS	Organization of American States
OIG	Office of Inspector General
OPEC	Organization of Petroleum Exporting Countries
PdVSA	Petróleos de Venezuela, S.A.
PPP	Purchasing Power Parity
PRC	People's Republic of China
QUANGO	Quasi-Autonomous Non-Governmental Organization
R	Republican Party – a United States political party
RCTV	Radio Caracas Televisión
S.A.	Sociedad Anonima
SED	Strategic Economic Dialogue
UDEL	Democratic Union of Liberation (Unión Democrática de Liberación) – a Nicaraguan political party
ULCC	Ultra Large Crude Carrier
UN	United Nations
URD	Unión Republicana Democrática – a Venezuelan political party
U.S.	United States (of America)
USA	United States of America

USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
USIA	United States Information Agency
USSR	Union of Soviet Socialist Republics
VLCC	Very Large Crude Carrier
WH	Western Hemisphere
WTI	West Texas Intermediate
WW	World War (I and or II)

# CHAPTER 1 - INTRODUCTION

The bravest are surely those who have the clearest vision of what is before them, glory and danger alike, and yet notwithstanding, go out to meet it.

Thucydides, *History of the Peloponnesian War*<sup>1</sup>

## THE UNITED STATES CONGRESS AND ITS REACTION TO REVOLUTIONARY CHALLENGES

### Setting the Stage

My study explores the role the United States (U.S.) Congress takes in foreign policymaking when dealing with revolutionary change in post-Cold War Latin America. As a qualitative study of United States foreign policymaking, the central research question ponders whether the U.S. Congress reacts differently to revolutionary change in post-Cold War Latin America than it did during the Cold War. If so, how is it reacting differently? If not, why not?

Throughout my study the argument is made that U.S. congressional foreign policymaking has remained fairly consistent over time, especially since the 1970s. The study also argues that the legislative branch's role in foreign policymaking is extensive despite the executive branch's own assertions of primacy in leading the U.S. foreign policymaking process.

The research undertaken in my study adopts the case study of Venezuela under the government of Hugo Chávez (1998-present) to explore the key question of whether the U.S. Congress is reacting differently today to revolutionary change in Venezuela than it would have in the past. The present study of U.S. congressional reaction to post-Cold

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<sup>1</sup> Thucydides. *History of the Peloponnesian War*. Rex Warner (translator). London, United Kingdom: Penguin Classics, 1972.



War revolutionary change in Venezuela is critical, as it explores whether the legislative branch might be prone to deferring to the executive branch in foreign policymaking matters during times of heightened international instability. It is also important as it helps to provide a continuum between U.S. foreign policymaking between the end of the Cold War and the advent of the post-Cold War period, and it also enriches the literature by incorporating past historical events that although antedate the Cold War, nonetheless continue to impact policymakers' decision-making.

My study is relevant because it provides the researcher and policymaker alike with an updated post-Cold War interpretation of Cole Blasier's framework originally developed in *The Hovering Giant* in 1976 and subsequently revised in 1985.<sup>2</sup> The present study is especially timely in light of accusations by friend and foe alike that the United States, as the sole remaining superpower, is acting as a hyper-power intent on forcing its own vision of economic development and democratic stability norms on others while disregarding their otherwise unique economic and socio-political domestic arrangements. Key U.S. allies' concerns became especially pronounced during the George W. Bush administration (R, 2001-09).<sup>3</sup>

The study provides a timeline of comparative analysis spanning a century. A 100-year timeframe for analysis facilitates insight into the evolution of congressional foreign policymaking towards revolutionary change in Latin America. As a result, the study

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<sup>2</sup> Blasier, Cole. *The Hovering Giant: U.S. Responses to Revolutionary Change in Latin America 1910-1985*. Pittsburgh, PA: University of Pittsburgh, 1985.

<sup>3</sup> See comments by French Foreign Minister Hubert Vedrine where same defines the United States as a hyperpower given America's dominant and or pre-dominant position in all categories. *The International Herald Tribune*, "To Paris, U.S. Looks Like a Hyper-power," (February 5, 1999), accessed September 16, 2008, [http://www.iht.com/articles/1999/02/05/france.t\\_0.php](http://www.iht.com/articles/1999/02/05/france.t_0.php).

provides the researcher and the policymaker reassurance of the steadfastness of U.S. foreign policy despite the cyclical alteration in political party control over executive and legislative branches of the government.

Given that the Latin American region and neighboring Caribbean states total thirty-two countries the present study does not aspire to answer every aspect associated with its central research question in relation to each individual Latin American and Caribbean state. Rather what my study provides is a tightly focused post-Cold War update of Blasier's theoretical propositions applied to a reduced number of states. By narrowing the focus of the research to a reduced number of specific countries, the study focuses on recent key revolutionary events while simultaneously serving as a point of departure for other researchers wishing to further explore the role of Congress and its impact in formulating Latin American foreign policy.

### **The Central Research Question**

My study proposes that the U.S. Congress takes a reactive role in U.S. foreign policymaking when dealing with Latin American revolutionary challenges. The central research question asks: is the U.S. Congress reacting differently to revolutionary changes in post-Cold War Latin America than it did during the Cold War? If so, how is it reacting differently? If not, why not?

The study explores whether the U.S. Congress is reacting to revolutionary change in Latin America in the post-Cold War period in a similar manner that it has throughout much of the twentieth century. Additionally it explores whether Congress will concur with a U.S. Presidential administration's characterization of a revolutionary movement or

revolutionary government as constituting a threat to U.S. vital interests if evidence exists of an extra-hemispheric, anti-American power pursuing interventionist, non-constructive foreign policy activities in the Latin American region.

To place the central research question within a tangible theoretical framework, the present study adopts Cole Blasier's framework as it was originally developed in *The Hovering Giant* in 1976 and subsequently revised in 1985. In *The Hovering Giant* Blasier makes two main arguments. First, that U.S. foreign policymaking toward the Latin American region has traditionally been premised on countering extra-hemispheric great power threats (both perceived and actual) to U.S. security interests in the Latin American region. Secondly it argues that U.S. foreign policy has sought to exert influence and control over Latin American and Caribbean countries.<sup>4</sup>

The present study updates Blasier's work by looking at how the world's sole superpower and its legislative branch are reacting to an unruly sub-regional power in the post-Cold War era. It also compares the reaction of the U.S. Congress to disruptive revolutionary actors, such as Venezuela's Hugo Chávez, with policies crafted to address revolutionary changes during the pre- and Cold War periods. In the process the study puts into current perspective the factors that will motivate the United States to adopt either a suppressive or a conciliatory policy to a revolutionary government.

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<sup>4</sup> Fred Parkinson's review of Cole Blasier's *Hovering Giant* provides one of the clearest and most insightful discussions available on Blasier's seminal foreign policy work. Parkinson adeptly illustrates how Blasier's thought processes evolved between the 1976 and revised 1985 editions. Parkinson, in his review of the *Hovering Giant* points out that Blasier's perspective evolves from focusing solely on the U.S. government's attempts to maintain control of the Latin American region by excluding extra-hemispheric powers to a more subtle approach which encompasses the notion that U.S.-Latin American foreign policy is also geared toward influencing and controlling the region's states. See, Parkinson, Fred, untitled review of Cole Blasier's *The Hovering Giant: U.S. Responses to Revolutionary Changes in Latin America, 1910-1985* in "Journal of Latin American Studies," Volume 19, Number 1 (May, 1987), pg., 227-229, accessed September 7, 2008, <http://www.jstor.org/stable/156935>.

In the examination of the questions outlined above, the study focuses on Venezuela as a case study during the ten year period commencing in 1998 with Chávez's democratic election to the Venezuelan presidency and extending to the present (2009). To further assist in evaluating the post-Cold War situation, the study compares the prevailing situation in Chávez's Venezuela with notable pre- and Cold War era Latin American revolutionary events that have impacted U.S foreign policymaking.

### **The Study's Resources**

To compare present U.S. congressional involvement in the U.S.-Venezuelan foreign policymaking process, the study reviews U.S. government primary source documentation, namely the U.S. Congressional Record from 1983 to 2008 (first session) in addition to open source and declassified national security/ foreign policy documents.

With regard to the review of the U.S. Congressional Record specifically, the study undertakes a count of the instances in which countries relevant to the study's central research discussion (e.g., Soviet Union/Russia, Cuba, Nicaragua, and Venezuela) are cited in the record. Conclusions are drawn by comparing the number of recorded citations during the late Cold War (1983-91) to the number of recorded citations in the post-Cold War period (1992-2008). Qualitative inferences made from the analysis of the U.S. Congressional Record are compared to statistical trade data. The latter is used to document the evolution of the U.S.-Venezuela strategic economic relationship and how this impacts the crafting of U.S. foreign policy toward the Chávez government. On a secondary level, trade data is utilized to assess the vulnerability of both the United States and Venezuela to disruptions and volatility in international oil markets.

Additionally, the study examines the role of the National Endowment for Democracy (NED) to gauge the degree of congressional interest focused on Chávez and his political stranglehold on Venezuela. The NED's budget is fixed through congressional allocations, making it a particularly instructive tool for evaluating the impact of the U.S. Congress's involvement in foreign policymaking in reaction to Latin American revolutionary changes. The study looks at varying budgetary allocation amounts over time to provide a rough indicator of congressional support or lack thereof, for containing and or possibly seeking to undermine Chávez's revolutionary government. In other words, this evaluation explores whether congressional funding of NED serves as an inter-branch tool for regime change.

An indication of the relevance of NED funding as an assessment tool of congressional interest in revolutionary Venezuela is highlighted by Chávez's accusations that U.S. executive and legislative branches use NED democracy-enhancing activities in Venezuela to implement regime change as an alternative to either outright military intervention or support for pro-American coup plotters, as was the case during the Cold War.

The study explores Chavez's accusations and whether NED activities can be linked to a possible U.S. government attempt to overthrow the Chávez government. The review of NED activities also highlights the continuity of both congressional and White House interests in Venezuela, as well as both branches of the government's attempts to influence the evolution of democratic governance in that country through promotion of democracy instead of military intervention. Blasier's theory is used to explore whether

the U.S.'s promotion of democracy activities are advancing the cause of democracy or are a subterfuge for advancing U.S. economic and strategic goals.

### **Gaps in the Literature**

The question of the reaction by the U.S. Congress to revolutionary change in Latin America remains a poignant one today that merits greater attention than it has been otherwise accorded by most senior-level U.S. foreign policymakers in the post-Cold War era. Until now most U.S. policymakers have been prone to write off Latin America's previous struggle with conflicting socio-economic and political ideologies in favor of less sensitive foreign policy concerns such as regional economic integration.

Since the end of the Cold War as part of what the study terms the "mission accomplished syndrome," U.S. foreign policymakers have largely ignored Latin American demands for sustained and meaningful engagement. Latin America's calls for action on what they consider matters of grave concern (e.g., assistance with immigration and political and economic development) have been relegated to the lower echelons of the U.S. foreign policymaking bureaucracy.

The study explores some of the reasons why U.S. foreign policymakers assume that the end of the Cold War meant that the struggle for ideological supremacy and state survival was a relic of a bygone era. Today some scholars adroitly affirm that with the end of the Cold War a foreign policymaking disconnection with the past has occurred. A study of Congress's post-Cold War increased interest in international trade concerns, in contrast to the preceding era's more narrow focus on questions of assuring the socio-

political survival of the United States and American society, provides more evidence of this position.

The shift in policymaking focus is a marked departure from the Cold War era. During that period U.S. congressional foreign policymaking concerns were narrowly focused on the continued survival of American socio-political and economic arrangements as defined in terms of liberal representative democracy and capitalism. The bipolar rivalry of the era was defined by the United States' attempts to counter the Soviet Union's interventionist activities in the Latin American region. The Soviet Union, in turn, aspired to undermine traditional U.S. hegemonic control of the Latin American region. Blasier's thoughts are captured in the present study and used as a point of comparison for current congressional reactions to the Chávez government.

International relations literature indicates that there is a rift between the likes of Noam Chomsky, who argue that in the post-Cold War period there is ongoing continuity with the preceding Cold War era's foreign policymaking practices, and others such as Ethan B. Kapstein and Michael Mastanduno who argue in *Unipolar Politics: Realism and State Strategies After the Cold War* that a marked disconnection with past policies has now arisen.<sup>5</sup>

Chomsky cites past U.S. foreign policymaking activities to support his position that policymaking remains repressive and anti-democratic, especially whenever U.S. interests are jeopardized. Researchers that subscribe to the Kapstein-Mastanduno thesis, however, see that post-Cold War U.S. foreign policies are distinct from past policies. For

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<sup>5</sup> Stokes, Doug, "Why the end of the Cold War doesn't matter: the US war of terror in Colombia," in *Review of International Studies* (2003), Volume 29, pg., 569–570, accessed September 7, 2008, <http://www.chomsky.info/onchomsky/200310--02.pdf>.

these scholars the United States in the post-Cold War period focuses mainly on combating non-state actors such as narcotics traffickers and terrorists, as well as strengthening democracy and human rights.<sup>6</sup> The research developed in my study builds on the Kapstein-Mastanduro thesis by updating Blasier's theoretical premises to current post-Cold War realities.

United States foreign policy is no longer crafted as it was during the Cold War. Then the Soviet Union was the preeminent political-military and ideological rival to U.S. global leadership and posed an existential threat to the survival of the United States. Neither the Chinese, nor the Russians and much less the Iranians are capable of marshalling the military or economic resources to challenge U.S. leadership. Today there is no state or even group of ideologically hostile, anti-American states capable of contesting U.S. global leadership. U.S. foreign policymaking has shifted course from the previous Cold War norm. Policymaking has shifted from containment and countering ideologically hostile states through the defense of the status quo, and whenever possible strengthening stable, democratic governments, to emphasizing more ideologically-driven policies of democracy promotion, human rights, and economic liberalism.<sup>7</sup> In pursuit of

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<sup>6</sup> Ibid., pg., 570.

<sup>7</sup> The U.S. Department of State, Office of the Coordinator for Reconstruction and Stabilization crafted its Haiti Strategic Planning to ensure in the near term the establishment of a stable democratic government committed to Haiti's recovery. Here stable democratic governance was defined as a system of governance which assures credible, multi-party elections where the ensuing government respects political and civil liberties, human rights, and demonstrates a commitment to broad-based economic recovery. United States Department of State, Foreign Service Institute – Applying Theory to Practice – PD560, October 1, 2008.



these post-Cold War objectives the executive and legislative branches have often supported regime change.<sup>8</sup>

Extrapolating from the foregoing position, Latin America merits senior U.S. foreign policymaking leadership's attention only when anti-American revolutionary movements establish links to extra-hemispheric, interventionist powers.<sup>9</sup> Lacking such a linkage, the study argues that Latin America remains relegated to the proverbial diplomatic backburner by foreign policymakers unless there is a significant and tangible threat to continued access to a key strategic resource (i.e., petroleum).

The study provides support for this assertion by reviewing the drivers of U.S. foreign policymakers' current interest in Latin America, and in Venezuela in particular. U.S. foreign policymakers' interest in (revolutionary) Venezuela is driven primarily by Chávez's Bolivarian revolutionary government's outreach to anti-American extra-regional partners such as the Islamic Republic of Iran, the Russian Federation, and the People's Republic of China (PRC) at a time of heightened international tensions and volatility in commodity markets. Interest is not driven by the necessity to combat an ideologically hostile foe allied with a likeminded superpower, but rather premised on more traditional/pre-Cold War policy objectives of preventing non-American powers from gaining a foothold in the hemisphere, as well as maintaining access to key resources

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<sup>8</sup> The Barack H. Obama (D, 2009 to present) administration is signaling early in its tenure that it intends to adopt a more pragmatic, realistic foreign policy position. The Obama administration seeks to move away from the previous administration's idealistic position of linking regime change with (representative) democracy promotion and safeguarding human rights.

<sup>9</sup> Only as an outgrowth of the events of September 11, 2001, has the pendulum swung to focus on the type of inter-civilization struggle as defined by Samuel Huntington in *The Clash of Civilizations* (1996) and articulated within the parameters of the Global War on Terror (GWOT). Latin America, beyond some very specific foreign policy concerns, usually falls outside of such scrutiny.

and markets. Note that recourse to unilateral U.S. military intervention is increasingly frowned upon and difficult to justify to the American public and the Latin American states.

### **Level of Analysis**

Robert Jervis indicates in *Perception and Misperception in International Politics*, that there is ongoing debate about the issue of the level of analysis.<sup>10</sup> Jervis clarifies that there are four levels of analysis or categories that can be utilized to classify international relations as these pertain to the: 1) level of decision making; 2) bureaucracy; 3) nature of the state coupled with domestic politics; and 4) the international environment.<sup>11</sup> The four levels of analysis raised by Jervis resonate well with Blasier's own framework, since the former recognizes that it is difficult to assign pre-eminence to one level of analysis over another. As a result, the level of analysis utilized may often vary by the type of situation under scrutiny.

The enduring validity of Blasier's framework as reflected in my study's findings is that the same recognizes the applicability of the different levels of analysis to explain how the United States reacts to Latin American revolutionary challenges. The present study relies primarily on the international environment level of analysis as the primary means of explaining U.S. policy responses to revolutionary challenges.

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<sup>10</sup> Jervis, Robert. *Perception and Misperception in International Politics*. Princeton, NJ: Princeton University Press, 1976, pgs. 14 – 15.

<sup>11</sup> Ibid.

In doing so, I recognize, much like Jervis, that personal bias impacts analysis.<sup>12</sup> Thus as Jervis indicates, any social scientist that advocates a particular theory must recognize that his theory of preference resembles the way he himself is prone to make decisions.<sup>13</sup> The relevance of decision-making bias, as Jervis indicates, is that statesmen will similarly formulate choices, often armed with uncertain knowledge and ambiguous information, but nonetheless in a manner not unrecognizable to that of the analyst.<sup>14</sup> Ultimately for Jervis, decision-making is the byproduct of a process of inferences that are dependent on images, beliefs, and intentions subject to cognitive limitations that can exacerbate misunderstandings.<sup>15</sup>

Kenneth Waltz's findings in *Man, the State, and War* and *Theory of International Politics*, contribute to reinforce Blasier's framework of analysis used in the present study. Waltz for his part argues that international relations can be classified into three categories or levels of analysis: 1) international politics impacted by the actions of individual statesmen; 2) international politics impacted by the domestic regimes of states, and; 3) international politics impacted by the international systems' anarchy, which is defined not in terms of chaos or disorder but rather by the absence of a sovereign body governing the interactions of the world's nation-states.<sup>16</sup> Building on the foregoing findings, Waltz

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<sup>12</sup> Ibid, pg 4.

<sup>13</sup> Ibid, pg. 5.

<sup>14</sup> Ibid.

<sup>15</sup> Cunningham, Edward. "Notes: Robert Jervis, Perception and Misperception in International Politics." Pgs. 1-3, accessed, July 15, 2009, [http://www.people.fas.harvard.edu/~goodrich/IRnotes/Week03/Jervis\\_BOOK\\_summary.pdf](http://www.people.fas.harvard.edu/~goodrich/IRnotes/Week03/Jervis_BOOK_summary.pdf).

<sup>16</sup> Waltz, Kenneth. *Man, the State, and War*. New York, NY: Columbia University Press, 2001, pg. 12.

clarifies in the *Theory of International Politics* that there are recurring types of behavior that govern relations between states in an international system characterized by anarchy.

Waltz's systemic characterization of international politics supports Blasier's framework, particularly if applied in explanatory and not predictive terms. By applying the first level of analysis to Chávez's revolutionary reforms and his using the Bush administration as a scapegoat for all of Latin America's ills, Chávez's actions fall within the parameter of statesman-driven international politics. As a result, Blasier's propositions can be utilized to explain how the U.S. government's executive and legislative branches will react to statesmen-driven revolutionary policies, especially if there is a verifiable link to a hostile, anti-American extra-hemispheric power acting as Chávez's patron.

Similarly, Waltz's second level of analysis supports Blasier's propositions utilized throughout the present study. Congress's reactions to Chávez's revolutionary reforms are often driven by U.S. domestic constituent concerns. Yet unlike the situation prevailing during the Cold War, Congress is not reacting to Chávez's revolutionary agenda based on ideological concerns. Rather today's Congress, driven by its membership's interest in being reelected, formulates policies that are responsive to constituent (individual citizen, U.S. businesses, and lobbyists) economic and democracy promotion concerns for a better international environment. Congress, while often following the President's lead regarding Latin America, is not crafting policies in response to a competing socio-political ideology that threatens the United States.

Waltz's third level of analysis also supports Blasier's framework since it defines relations between states as being subject to an anarchic international system characterized

by the absence of a supra-national sovereign entity capable of providing governing order. This has not changed with the collapse of the Soviet Union and the end of the Cold War. What has indeed changed is the interpretation of whether bipolar systems or multipolar systems are more stable. Despite the collapse of the Soviet Union, Waltz's position that anarchy structures relations between states remains applicable in many circumstances.

Elaborating on the foregoing, Edward A. Kolodziej argues in *Security and International Relations* that for Waltz security and survival of the state are the overriding objectives of state action and not the Realist notion of the power capabilities versus that of another state.<sup>17</sup> Thus in a system characterized by the absence of an authoritative enforcer, both the United States and Venezuela will rationally strive to ensure their survival by strengthening their security interests (e.g., augmenting their military capabilities and political-diplomatic alliances).

Waltz places a heavy emphasis on the anarchic nature of the international system and in the process relegates economic development, human rights, and welfare initiatives to a secondary level of analysis. Yet it is his belief that policymakers should focus on safeguarding the territorial integrity and security of the nation in an anarchic world that reinforces Blasier's framework (that stresses the United States will suppress reformist and revolutionary regimes if these collude with an extra-hemispheric power). As will be further detailed in Chapters 3 and 4, throughout much of the Cold War Congress allowed the President to set the tone for high-level U.S foreign policy precisely because of the existential threat posed by the Soviet Union and international communism.

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<sup>17</sup> Kolodziej, Edward A. *Security and International Relations*. New York, NY: Cambridge University Press, 2005, pgs. 135 – 136.

In the post-Cold War Congress is an active participant in foreign policymaking, particularly in areas where there are threats to the vital security interests of the United States. In the Latin American region Congress has however focused mainly on less vital interests such as democracy promotion, human rights, and economic development concerns because of the absence of an existential threat to the United States.

Based on a reading of Jervis, under less threatening conditions domestic determinants premised on variations of social and economic structures are setting congressional foreign policy objectives.<sup>18</sup> Waltz, on the other hand, would consider current congressional policies to be important but only of secondary importance when compared to ensuring the state's survival. Waltz remains a proponent of the coercive power of the state over its neighbors as the key ordering determinant in the international environment. Joseph Nye and Robert Keohane would however disagree and argue that the world today is now characterized by complex interdependence which negates the need to always favor Waltz's high politics of security over the low politics of trade.<sup>19</sup>

The key factor stressed by the present study when debating the appropriate level of analysis is the recognition that absent the Soviet threat, the U.S. reaction to Latin American revolutionary challenges needs to be muted. As a result, any attempt by the United States to suppress a post-Cold War Latin American revolutionary government through military intervention underestimates the hostility that such action will cause in both the affected state and the rest of the Latin American region. Keohane's and Nye's

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<sup>18</sup> Jervis, pg. 21.

<sup>19</sup> Griffiths, Martin, and Terry O'Callaghan. *International Relations: Key Concepts*. New York, NY: Routledge, 2002, pg. 158.

position sustaining that recourse to military force is becoming less usable and important as a policy option supports Blasier's framework that absent the threat from an extra-hemispheric power U.S. policymakers today will be less likely to adopt suppressive policies.<sup>20</sup>

The importance that Keohane and Nye place on complex interdependence differs from the Cold War era power politics favored by the Realists, as well as by Waltz and the Neo-realists with their emphasis on ensuring state security. Keohane's and Nye's position about the international environment highlights the declining relevance (applicability) of military force.

Interestingly, Keohane's and Nye's position resembles Blasier's points in *Security and the United States Latin American Relations in the 1980s*. Here Blasier indicates that not only is the United States increasingly unable to shape the outcome of leadership struggles in Latin America, but that there are other options than military intervention available to promote and ensure U.S. interests.<sup>21</sup> Note that while Blasier defines ensuring the political-military security of the United States in terms recognizable to Waltz— for example defining security as the protection of the national territory and its population from external threats by the armed forces of another nation— he is however actually closer to Keohane and Nye in many aspects.

Blasier, much like Keohane and Nye, is a strong proponent that U.S. security can be assured by non-military means such as friendship treaties, trade agreements, and

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<sup>20</sup> Ibid.

<sup>21</sup> Blasier, Cole, "Security and the United States Latin American Relations in the 1980s: The Extra-Continental Dimension," in *Latin American Program Working Papers – The Wilson Center*, (1984), Number 149, pgs. 27-28.

multilateral agreements.<sup>22</sup> The present study consequently argues that such non-military means for ensuring security are areas where Congress, with its constituency concerns, plays a critical role in the U.S foreign policymaking process.

My study with its international environment level of analysis highlights the theory that the post-Cold War relationship between the United States and Venezuela is premised to a significant degree more on interdependence than on the preceding era's power calculations. As Martin Griffiths and Terry O'Callaghan define in *International Relations: The Key Concepts*, interdependence between states such as the United States and Venezuela has two dimensions: sensitivity and vulnerability.<sup>23</sup> Sensitivity, for Griffiths and O'Callaghan, represents the degree to which one state is sensitive to developments taking place in the other state. While vulnerability, for Griffiths and O'Callaghan, refers to the distribution costs incurred as states react to changes in areas where they share common interests (i.e., oil).<sup>24</sup>

Blasier's framework combined with these complex interdependence notions of sensitivity and vulnerability remain particularly useful for understanding how the U.S. government, and especially Congress, is reacting to Chávez's revolutionary challenges. In the post-Cold War era both the United States and Venezuela have a keen interest in keeping oil flowing to the U.S. energy market regardless of their preferred socio-political and economic ideologies.

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<sup>22</sup> Ibid.

<sup>23</sup> Griffiths and O'Callaghan, pg. 157.

<sup>24</sup> Ibid.



In discussing notions of sensitivity and vulnerability Chapters 5 and 6 elaborate on Chávez's revolutionary reforms and their exposure to any disruption in oil trade with the United States. Extrapolating from Blasier's understanding of security, a Venezuelan slowdown or a cut-off of oil shipments to the U.S. energy market devoid of an alternative buyer or a combination of buyers that can absorb (and pay in cash) the volume of shipments normally going to the United States would represent a critical domestic economic and political threat to the Chávez government's survival. As Chapter 5 highlights, instability in Venezuela increases when oil prices drop.

### **The Study's Approach**

The present study seeks to update Cole Blasier's seminal study on U.S. responses to revolutionary changes as developed in *The Hovering Giant* in 1976 and subsequently revised in 1985. Chapter 2 of the study provides a review of Blasier's framework. This chapter also explains how Blasier's propositions help premise U.S. foreign policymakers' actions when dealing with revolutionary change in Latin America.

There are a number of other notable methods and perspectives available to foreign policy researchers and policymakers that support Blasier's theoretical propositions. A noteworthy example of an alternative for analyzing U.S. reactions to Latin American revolutionary change is the theoretical work undertaken by Charles Bergquist in *Labor and the Course of American Democracy: U.S. History in Latin American Perspective*. Bergquist argues that the United States will seek to oppress Latin American

revolutionaries whenever they pose a threat to U.S. corporations' economic interests even if such threats fall short of representing an actual threat to U.S. strategic interests.<sup>25</sup>

While Blasier's framework is valid for understanding how U.S. foreign policymakers react to revolutionary changes, the study finds that Berquist's position is now increasingly less applicable for understanding how the United States will react to revolutionary challenges. Blasier's framework, unlike Berquist's emphasizes strategic-political factors as the main determinants for U.S. foreign policymakers' decision to suppress or not to suppress revolutionary movements and governments. Berquist's thesis on the other hand, is more reliant on the premise that U.S. business interests and U.S. foreign policy interests are largely inseparable. The Barack H. Obama (D, 2009 to present) administration's emphasis on a multilateral approach to international relations that advocates cooperation and willingness to speak even with ardent anti-Americans undermines Berquist's position by downplaying the relevance of U.S. business interests as a driver of U.S. policy.

As a result my study argues that Chávez and his revolutionary policies both at home and abroad today represent a manageable threat to U.S. interests, one that does not necessitate military intervention and regime change. Chávez's leftist revolutionary government is an irritant which only merits vigilance to revolutionary change in Latin America, namely because of Venezuela's vast petroleum reserves.

The threat Chávez poses to the United States is only to U.S. economic interests. Until Chávez or any other Latin American leftist governments invite an anti-American

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<sup>25</sup> UE International Solidarity, "*Mexican Labor Bibliography: Review Essays Bayon, Bergquist, Cockcroft, Hathaway, Hodges,*" accessed September 16, 2008, [http://www.ueinternational.org/Mexico\\_info/bibliography2.html](http://www.ueinternational.org/Mexico_info/bibliography2.html).

extra-hemispheric power to base military forces in the region, states such as Venezuela will hardly constitute a threat to the vital interests of the United States. Until then, Congress and other foreign policymakers in Washington will continue to focus on heightened political-military instability in other more strategic hotspots such as the Korean peninsula, the Persian Gulf, and or in the Caucasus.<sup>26</sup>

My study argues that Blasier's framework remains relevant for determining U.S. congressional foreign policymakers' actions. Blasier's theory can be adapted to analyze U.S. foreign policymakers' decision making when dealing with lower level irritants in the post-Cold War period. Blasier's Cold War era theory can be updated to meet present day Latin American revolutionary challenges despite the fact that a key pre- and Cold War variable which often influenced U.S. foreign policymakers' determination to either suppress or seek accommodation with revolutionaries in Latin America is either not present or its importance is now discounted because of the U.S.'s overarching supremacy. The study recognizes that the possibility exists that Chávez, in a desire to perpetuate his rule and consolidate his revolutionary changes may at some point in the future extend an invitation to an extra-hemispheric rival of the United States to become more actively

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<sup>26</sup> Anthony Maingot in his 1994 commentary on Jorge Castañeda's *Utopia Unarmed: The Latin American Left after the Cold War*, argues that Castañeda believes that the Latin American left has no choice but to be nationalistic and anti-American during the post-Cold War given the fact that the United States remains an arrogant power intent on interfering in the affairs of Latin American states (e.g., extra-territorial kidnappings of drug traffickers, restricting other states' trade with Cuba). Interestingly enough, in terms of Chávez's Venezuela, Maingot cites Castañeda's position on the need for "cross-cutting" and "longitudinal" nationalism that emphasizes "natural allies" while deemphasizing "permanent enmities and immutable goals." Castañeda's position in calling for the Latin American left to lead the charge against the United States and its free market policies and representative democracy, mirrors in many ways Chávez's own position on opposing the United States and his own promotion of participatory democracy as a means of "giving back the nation to the people." Chávez in this regard has sought to take political control of Venezuela away from a unrepentant dualistic elite that previously ruled over a socially segregated society. See, Maingot, Anthony P, "Commentary on *Utopia Unarmed: Jorge Castañeda Attempt to Make Sense of the Latin American Left*," in *Journal of Interamerican Studies and World Affairs*, Volume. 36, Number 1 (Spring, 1994), pp. 179-180, accessed September 16, 2008, <http://www.jstor.org/stable/165867>.

involved in the Latin American region. However the possibility is considered low because of the consequences of its recklessness. Nevertheless Blasier's interpretations of regime types and his reasoning of how the United States determines whether a revolutionary regime will cooperate or not with U.S. objectives remain relevant.

Under current circumstances Chávez and other Latin American revolutionaries will react as Jorge Castañeda suggests by implementing policies that are a combination of pragmatic nationalism and anti-Americanism to distance themselves from the preceding era's "mindless and self-defeating" anti-Americanism. For Castañeda, post-Cold War Latin American revolutionaries must be less dogmatic and utopian and more prepared to make tactical compromises even if that entails cooperating on occasion with the United States and other western powers on certain issues.<sup>27</sup> The study's analysis of the U.S.-Venezuelan oil relationship supports Castañeda's position, since Chávez continues to export oil to the United States despite repeated threats to cut off supplies and form a military alliance with the Russian Federation.<sup>28</sup> Similarly, despite the nationalization of several foreign companies (e.g., Sidor, and Cargill's rice mills), and now Banco de Venezuela (a unit of Spain's Banco Santander S.A.), Chávez's nationalizations although changing how Venezuela interacts with international business, fall short of delinking the economy from the global business community.<sup>29</sup>

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<sup>27</sup> Ibid., pg., 181.

<sup>28</sup> The continued survival of Chávez's revolutionary government is vulnerable to a drop in international oil prices below the U.S. \$80.00 per barrel mark. See, Stephens, Bret, "America Will Remain the Superpower," in *The Wall Street Journal*, (October 14, 2008), accessed October 14, 2008, <http://online.wsj.com/article/SB122394103108030821.html>.

<sup>29</sup> See, Crowe, Dary, and Raúl Gallegos, "Chávez Raises Stakes in Banks," in *The Wall Street Journal*, (May 23, 2009), accessed May 23, 2009, <http://online.wsj.com/article/SB124304353444249249.html>.

Blasier succinctly argues that U.S. foreign policy toward Latin America is the product of U.S. perceptions of threats in the region. Blasier's framework is thus compatible with the notions of tactical compromises outlined above.<sup>30</sup> By applying Blasier's framework and the notion of tactical compromise to current circumstances in Venezuela, indications are that Congress will continue to resist suppressing Chávez's government since there is no tangible link to a hostile, extra-hemispheric power. Despite Chávez's threats to cut off oil exports and even to invite extra-hemispheric powers to take a more active interest in the region, these threats are neither credible nor serious enough for U.S. foreign policymakers to suppress the Chávez government. Chávez's rhetoric aside, the status quo defined in terms of uninterrupted oil shipments to the United States has not changed.

Richard Cottam's argument developed in *Competitive Interference and Twentieth Century Diplomacy* (1967) supports Blasier's findings and is a poignant point of departure for additional research when dealing with post-Cold War revolutionaries such as Chávez and Bolivarian Venezuela. Cottam argues that, within the parameters of the isolationist versus the internationalist debate, it is impractical for any state to adopt one extreme or the other of this equation.<sup>31</sup> Cottam maintains that extreme non-interference in the affairs of Latin American states by the United States will invite interventionist policies by other extra-hemispheric powers. Historical examples of this kind of situation raised by Blasier include Germany in the lead up to the First and Second World Wars and

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<sup>30</sup> For Blasier, foreign policymakers in Washington perceive such associations as a security threat and subsequently as a direct challenge to U.S. foreign policy goals.

<sup>31</sup> See, Thompson, Kenneth W., in an untitled review of Richard W. Cottam's "Competitive Interference and Twentieth Century Diplomacy," in *Political Science Quarterly*, Volume 84, Number 4 (December 1969), pg., 655, accessed September 16, 2008, <http://www.jstor.org/stable/2147137>.

the Soviet Union during the Cold War. Although no extra-hemispheric power has sought to intervene in the Americas in support of Chávez's revolution in a manner similar to that of the Soviet Union during the Cold War era, it does not mean that such a situation is beyond the realm of possibility.

The enduring characteristic of regional and global leadership over time is the lack of permanence as one state ascends and then declines in favor of another or a grouping of other states. For both Cottam and Blasier there are factors that may eventually lead the United States to attempt to suppress or be forced to seek conciliation with Latin American revolutionary movements and governments. Cottam's framework, Image Theory, defines the actions that motivate a state to undertake a particular foreign policy in terms "of a compound of factors that predispose a government to and a people to move in a decisional direction in foreign affairs." Cottam's framework provides support for Blasier's own framework.<sup>32</sup> Cottam's position advocates the notion that states will move to a balance between their competing issues based on their willingness to resolve disputes peacefully while working through the current nation-state system in world affairs.

My study finds that Blasier's argument that executive and legislative branch foreign policymakers have sought for over a century to exert exclusive U.S. hegemonic control and influence over the Latin American region remains valid. Over time, foreign policymakers, regardless of party affiliation, consistently view any Latin American

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<sup>32</sup> According to Robert C. North, what Cottam has attempted to do through his perpetual framework is delineate the factors that will motivate the state to undertake certain policy objectives. Cottam in this sense argues that states will seek to establish a balance of capabilities. Yet such a balance is vulnerable to the personal perceptions of the ranking policymaker. See, North, Robert C., in an untitled review of Richard Cottam's "Foreign Policy Motivation: A General Theory and A Case Study," in *The American Political Science Review*, Volume 72, Number 3 (September 1978), pg., 1156, accessed September 16, 2008, <http://www.jstor.org/stable/1955244>.

revolutionary government's or movement's attempts to upset the prevailing status quo by associating with an extra-hemispheric, anti-American power as an overt challenge to continued American hegemony in the Western hemisphere.<sup>33</sup>

Explanations of political behavior, unlike mathematical equations, cannot always be easily proven through quantitative means.<sup>34</sup> As Blasier finds foreign policy, and the process by which it is made, is often subject to conflicting and controversial interpretations.<sup>35</sup> Blasier's assessment of foreign policymaking underscores the reality that U.S. foreign policymaking is crafted through a process of not only intra- and inter-agency consensus building within the executive branch, but also requires legislative branch cooperation and consensus especially at higher policymaking levels.

The present study recognizes that the role of the U.S. Congress in foreign policymaking is quite extensive. The pervasiveness of congressional impact is highlighted by Congress's control over funding allocations, the requirement for enabling legislation in the treaty ratification process, and the need for the executive branch to consult with Congress when negotiating treaties and crafting foreign policies. The importance of Congress's impact brings to the forefront the executive branch's need to consult with Congress in order to avoid crossing congressional red lines that, if disregarded, could result in the collapse of U.S. foreign policies and negotiations.

While chapter 2 provides the theoretical departure point for this study on how the U.S Congress deals with revolutionary change in Latin America, Chapter 3 expands on

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<sup>33</sup> Note that the preferred term today for hegemony is "the preferred partner of choice."

<sup>34</sup> Nevertheless, some quantitative analysis is provided in the latter chapters of the study.

<sup>35</sup> Blasier, 1985, pg., 211.

the role of Congress in American foreign policymaking. Chapter 3 elaborates on how Congress can either cooperate with, or for that matter block, executive branch foreign policy initiatives. Chapter 3 reviews foreign policymaking powers accorded to Congress by the U.S. Constitution (1787) and how Congress exercises these powers.

Consequently the study indicates that there is a need for inter-branch consensus building. The need for consensus in U.S. foreign policymaking is apparent in the fact that the U.S. Congress with its 535 members (435 in the House of Representatives and 100 in the Senate) has, since the Viet Nam War (1959-75), been more willing to challenge U.S. presidential foreign policymaking. Congressional willingness to assert itself has been facilitated in the past three decades in no small measure, by what many see as White House overreach in foreign policy. Chapter 3 elaborates on findings in the literature that sustain that failed executive branch policies, at times compounded by congressional accusations of the abuse of executive privilege, have led the U.S. Congress to assert a more active role in American foreign policymaking.

A review of the literature indicates that congressional actions are interpreted as acting as a brake on otherwise unbridled executive power. The U.S. foreign policymaking process is muddled, not only by objectives and priorities of the U.S. Congress as a whole often diverging from those of the White House, but also because each member of Congress has the foreign policy agenda endorsed by the constituency. Agendas must be explained, defended, and promoted if the members of Congress wish to be reelected.

In Chapter 3 the study argues that constitutional ambiguity as to which branch of the U.S. government has the privilege of primary responsibility in the foreign policymaking process has resulted in substantial debate among both scholars and foreign



policymakers. Chapter 3 clarifies that one prominent school of thought has consistently argued that the Framers intended that Congress, as the first branch of the U.S. government, is primarily responsible for leading the U.S. foreign policymaking process.

Proponents of congressional supremacy sustain that the executive branch merely executes the will of Congress and structures their arguments around the interpretation of the Framers' intent. The struggle between the branches for supremacy, as well as the lack of definitive clarity as to which branch of the government has the primarily privilege for foreign policymaking, is highlighted by an analysis of the number of treaties entered into by the United States in the past two hundred years. Of the nearly 900 treaties to which the United States is a party, only 21 treaties have been rejected by the full U.S. Senate. The fact that the United States has subscribed to more than five thousand executive agreements as a means of bypassing Congress is indicative of the inter-branch struggle.<sup>36</sup>

Scholars such as Louis Fisher argue that the primary indication of the Framers' intent is the degree to which U.S. congressional powers are enumerated in the

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<sup>36</sup> The U.S. Senate's Web site stresses that international law makes no distinction between ratified treaties and executive agreements. Both of these international agreements are equally binding regardless of their designation under domestic law. Illustrating this fact is that in 1952 the United States signed 14 treaties and 291 executive agreements. One year's worth of executive agreements surpassed the total number of treaties entered into during the 1789 to 1889 period. Executive agreements to this day continue to grow at a rapid pace. Explanations as to why the United States is increasingly recurring to executive agreements abound. It is widely held that executive agreements are an effective means for coping with the ever growing volume of business and contacts between the United States and other countries at a time when the Senate is overloaded by a heavy workload. Others similarly sustain that executive agreements deal with more mundane issues. The Senate could become quickly overburdened if all such agreements were submitted to it for its advice and consent. Indicative of inter-branch cooperation in foreign policymaking in this regard has been the passage of legislation authorizing the executive branch to conclude international agreements in clearly delineated fields, such as foreign aid, agriculture, and trade. Further indicative of the lack of clarity regarding the privilege of primacy in foreign policymaking is highlighted by a 1984 study by the Senate Committee on Foreign Relations which indicates that according to the U.S. Senate's Web page that "88.3 percent of international agreements reached between 1946 and 1972 were based at least partly on statutory authority; 6.2 percent were treaties, and 5.5 percent were based solely on executive authority." See, United States Senate, "*Treaties: (Chapter 4) Executive Agreements, Treaty Termination, and Status as Law,*" accessed October 1, 2008, <http://www.senate.gov/artandhistory/history/common/briefing/Treaties.htm>.

Constitution when compared to those assigned to the executive branch. The present study recognizes the importance of the position advocated by Fisher and like-minded constitutional scholars who champion the view that the U.S. Congress is responsible for deciding all matters of war and peace.<sup>37</sup> Fisher indicates in this regard that the President in his role as Commander-and-Chief is mainly responsible for repelling attacks upon the state. According to Fisher, the President does not possess any inherent or independent power to make foreign policy as advocates of the sole organ doctrine otherwise sustain.<sup>38</sup>

For the likes of Fisher, the U.S. President undoubtedly leads the country but only in the capacity of an executive that acts to execute the will of the people as embodied in the directly elected U.S. Congress. Ultimately it is Congress that determines the course of action that is to be followed by the nation and its elected leaders. It is Congress alone which deliberates and votes on all matters of war and peace.<sup>39</sup> Proponents of this position are adamant that the Framers' intent is clear. Article I of the U.S. Constitution confers on Congress the right to declare war, while Article II specifies the requirement of congressional concurrence for the ratification of treaties, conventions, and international agreements negotiated by the President.

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<sup>37</sup> Data spanning the 1988 to 2008 period indicates that the Senate's involvement in foreign policymaking as highlighted by treaties ratified has averaged 17.3 treaties per year with a high water mark of 53 treaties in 1998 and a low point of only three treaties in 2001. In comparison, the Senate ratified 15 treaties in 1991 and 32 in 1992 at the end of the Cold War. See, United States Senate – Senate Daily Digest, Office of the Secretary, “*Legislative Statistics: 20-Year Comparison of Senate Legislative Activity*,” accessed October 1, 2008, [http://www.senate.gov/pagelayout/legislative/g\\_three\\_sections\\_with\\_teasers/legislative\\_home.htm](http://www.senate.gov/pagelayout/legislative/g_three_sections_with_teasers/legislative_home.htm) and <http://www.senate.gov/reference/resources/pdf/yearlycomparison.pdf>.

<sup>38</sup> Fisher, Louis. “History Refutes the President's Claims to Unlimited Power over Foreign Affairs” in *Round-up: Historians' Take*. History News Network/ George Mason University: Seattle, WA. Accessed, July 22, 2007. <http://hnn.us/roundup/entries/32753.html>.

<sup>39</sup> McCormick, James M. *American Foreign Policy and Process*. F.E. Peacock Publishers: Itasca, IL. 3<sup>rd</sup> edition, 1998, pg., 278.

The ability of the U.S. Congress to exert its influence over the course of foreign policymaking is made possible by the fact, as Senator Robert Byrd (D-West Virginia, 1959-present) has often stated, Congress controls the most powerful instrument in the American constitutional system. For Byrd and other adherents of congressional supremacy in the U.S foreign policymaking process, Congress's power of the purse is the ultimate means of control that prevents unbridled executive power.<sup>40</sup>

The U.S. Congress's foreign policymaking role is largely unique compared to other legislative bodies. Mirroring a significant amount of the literature, the study argues that this uniqueness is the byproduct of the Framers' fear of either a return to monarchical rule in the form of an elected king or the rise of an American Caesar. Yet the Framers' radical solution, the simple division of sovereign power between the branches of the government, while preventing the return to monarchical and or even despotic rule has often nonetheless resulted in situations of both conflict and cooperation arising between the executive and legislative branches.

Chapter 3 stresses that the congressional attempt to reign in the executive branch via amendments and acts is indicative of executive-legislative branch conflict in the foreign policymaking process. In this sense the Bricker Amendment, the Case-Zablocki Act, and the War Powers Resolutions are all fairly recent examples of Congress actively seeking to curb the power of the President in the U.S. foreign policymaking process. In Chapter 3, I review the constitutional overlap of executive and legislative foreign policymaking powers and bring into the discussion an analysis of the role of the judicial

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<sup>40</sup> The Constitution assigns Congress not only the right and responsibility to declare war and make peace, but also delegates the right to make and modify laws. Specifically, no money can be withdrawn from the Treasury unless through appropriations made by law, *Ibid*, pg., 278.

branch and key rulings that have aimed to clarify which branch of the government has the privilege of primary responsibility for leading the U.S. foreign policymaking process.

The study also highlights the importance of the possibility of executive-legislative branch cooperation in any discussion of U.S. foreign policymaking. Cooperation is apparent whenever Congress defers to the President. Here the study argues that as a result of Congress's deference to the President, the United States is able to speak with a unified voice internationally.

Chapter 3 addresses the fact that the U.S. Congress has often deferred to the President when dealing with Latin American revolutionary governments. A case in point is how individual members of Congress often facilitated bi-partisan and intra- and inter-branch cooperation during the Cold War. In this sense, Dante Fascell (D-Florida, 1955-93) was adept at constructing and managing political coalitions based on foreign policy consensus.<sup>41</sup>

Yet even inter-party coalitions that facilitate congressional deference to the executive branch when dealing with revolutionary movements in Latin America indicate the ultimate power of Congress to either facilitate or block presidential foreign policies. Congress's ability to stymie the President is evidenced by the activist foreign policy role

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<sup>41</sup> A critical example of the extent of the House Committee on Foreign Relations and the impact of its chairman on U.S. foreign policymaking is the role undertaken by Congressman Fascell who in 1985 as the committee's chairman coordinated congressional efforts with the Chairman of the House Budget Committee to introduce H.R. 1460, also known as the "Anti-Apartheid Act of 1985," which was later limited by the Executive Order of President Reagan. H.R. 1460 has come to be known as legislation that was pivotal in ending the Apartheid government in South Africa and is linked to the Africa Subcommittee H.R. 4868 which increases economic sanctions. Same was itself enacted over President Reagan's veto, with a vote of 313 to 83 in the House and 78 to 21 in the Senate. Fascell was instrumental in coordinating inter-party support/coalition building for legislation passed through the Committee on International Relations which has impacted citizens of the United States and other countries. See, U.S. House of Representatives, "Committee of International Relations: Origins and History," accessed October 1, 2008, <http://foreignaffairs.house.gov/archives/history.htm>.

assumed by Speaker Nancy Pelosi (D-California, 2007-present) in the twilight years of the Bush administration. The lack of constitutional specificity as to which branch of the government has the primary privilege in leading the foreign policymaking process has contributed to a significant degree of executive-legislative branch conflict.

Having reviewed Blasier's thesis in Chapter 2 and outlined the constitutional foreign policymaking powers accorded to Congress, as well as how constitutional ambiguity has often fueled the executive-legislative branch struggle for primacy in the American foreign policymaking process in Chapter 3. Chapter 4 explores congressionally driven foreign policymaking towards Latin America before and during the Cold War. Chapter 4 highlights Blasier's thesis and its propositions and sets the stage for Chapter 5 which is the Venezuela-specific case study chapter, and for Chapter 6 and its conclusions on Venezuela and Chávez's revolutionary agenda.

Chapter 5 argues that the United States— especially Congress as one of two key constitutional foreign policymakers of the U.S. government— is dealing with Chávez's Bolivarian revolution in a somewhat dissimilar fashion as how it dealt with revolutionary change in Latin America during the Cold War. To support this assertion, Chapter 5 compares previous U.S. policies toward revolutionary governments in Latin America with current policies toward Chávez and his Bolivarian revolution.

Chapter 5 further builds on the preceding chapters by elaborating on how Congress influenced U.S. foreign policymaking toward the Latin American state of Nicaragua before and during the Cold War. While Chapter 4 looks at U.S.-Nicaraguan interactions over the course of three revolutionary periods throughout the twentieth century, Chapter 5 elaborates on those arguments by shifting its focus to Bolivarian

Venezuela (1998-present) as the primary case study of post-Cold War U.S. reaction to Latin American revolutionary change. Like the preceding chapter, Chapter 5 applies Blasier's theoretical propositions to the review of U.S. foreign policymakers' interpretation of revolutionary change. Chapter 5 provides a qualitative analysis of the reasons why Blasier's theoretical propositions remain a viable means for interpreting the impact of Congress on U.S. foreign policies dealing with Chávez and his brand of leftist-inspired revolutionary change.

Chapter 5 looks at Nicaragua under the first Sandinista-led government (1979-90) and Venezuela under Chávez and finds that both countries share a number of similarities as well as key differences in light of how the United States has crafted its policies for dealing with their types of revolutionary change. A focal point of discussion in Chapter 5 is the analysis of the major stumbling point in the government's relations with both of these regimes especially the latter's intent to move away from representative democracy toward participatory democracy.

Chapter 5 highlights the post-Cold War de-emphasis on ideology as a cause for intervention. I explore U.S.-Venezuela foreign policy, and the level of attention focused on Chávez and his Bolivarian revolution, by analyzing the impact of the oil trade on both the United States and Venezuela in their mutual dealings in Chapter 5.

Chapter 5 also makes the point that Chávez's revolution is one that did not necessarily catch U.S. foreign policymakers completely unawares, but nonetheless left the government at loss for accurately identifying the sort and extent of revolutionary challenges it represented. My study looks at U.S. foreign policymakers' inability to adroitly locate Bolivarianism on the political ideological spectrum, which has motivated

policymakers in both branches of the government to adopt a less reactionary “wait and see” foreign policy posture toward Chávez and his government.

A U.S. policy position of restraint endures despite the Chávez government’s increasing identification of itself, as well as its domestic and international objectives, along more socialist, anti-American lines. Chapters 5 and 6, by referring to the theoretical model developed by Blasier, explore the factors that can lead policymakers to shift away from the current largely status quo course of “wait and see” toward suppressing Chávez’s revolutionary government. The study indicates that the potential for intervention will increase only if Chávez establish stronger political-military ties to extra-hemispheric, anti-American powers intent on undertaking interventionist policies in Venezuela and the surrounding region. The study looks at how Chávez’s rhetoric and actions become bolder as oil prices escalate. Only if Chávez’s actions are identified as a threat to U.S. security interests will policymakers in Washington be prone to move from merely labeling Chávez as “increasingly authoritarian and anti-democratic” to actively seeking justifications for suppressing the Chávez’s government.

Blasier’s thesis indicates that the suppression of the Chávez government is not only dependent on Chávez significantly threatening U.S. private interests. As a result, my study, mirroring Blasier’s work, looks at nationalistic revolutionary changes that potentially threaten continued U.S. political-military influence in the Latin American region. Threats to U.S. political-military influence remain a key determinant for the government’s calculations to repress or subvert a revolutionary government. Although the United States often responds with flexibility when dealing with revolutionary movements, Blasier’s model indicates that the U.S. government will not tolerate

revolutionary governments that work against American hegemonic (or preferred outcome) interests over the long run when these collude with extra-hemispheric powers.

To support my findings Chapter 5 incorporates comments and observations drawn from interviews with U.S. foreign policymakers both within and outside the previous George W. Bush administration. I compare in Chapter 5 today's congressional interests with Chávez's revolutionary agenda in Venezuela with the Cold War case study of Nicaragua's Sandinistas. Chapter 5 stresses that the low level of congressional concern with Chávez's revolutionary agenda today, if compared to similar situations during the Cold War, is the result of Congress's focus on troublesome hotspots where there is an actual threat to U.S. vital security interests because of the extensive involvement of an anti-American, interventionist power.

Chapter 6, as my study's conclusion, summarizes the study's central research question, the study's approach, and findings. In particular, Chapter 6 clarifies why Chávez is not a threat to U.S. vital security interests, reviews Chávez's own strategic vulnerabilities, and assesses the overall state of present and near- to mid-term U.S.-Venezuelan relations. As in preceding chapters, Chapter 6 returns to Blasier's thesis to explain how the U.S. Congress is reacting to revolutionary change in Venezuela today compared to how it reacted to revolutionary change in Latin America during the Cold War. Summarizing the study's research and conclusions, Chapter 6 argues that since the Cold War Congress has not significantly deviated from its methods for determining what constitutes a threat to U.S. vital security interests. As a result of the enduring permanence for equating the involvement of an extra-hemispheric, interventionist power in Latin American affairs as a threat to U.S. vital security interests, the absence of such an entity



makes mercurial Chávez more of a nuisance to the United States than a threat. This conclusion explains why U.S. foreign policymakers continue to pursue a policy of restraint when it comes to Chávez and his revolutionary agenda. It is a policy that is geared toward waiting Chávez out.

## CHAPTER 2 - CONCEPTUAL INSTRUMENTS

“I don't see why we need to stand by and watch a country go communist due to the irresponsibility of its people.”

Henry Kissinger<sup>1</sup>

### DEALING WITH REVOLUTIONARIES AND REVOLUTIONARY CHANGE

#### Setting the Stage

My study refers to Cole Blasier's thesis as developed in the *Hovering Giant* in 1976 and subsequently revised in 1985. The study is also influenced by Blasier's subsequent work *The Giant's Rival: The USSR and Latin America* from 1987 as it pertains to the evaluation of the United States' (U.S) responses to the perceived links between Soviet (communist) actions and revolutionary change in Latin America during the Cold War (1947-91).

Blasier's framework of analysis for assessing how the U.S. government has reacted to Latin American revolutionaries in the past and its subsequent dealings with these movements once in power, serves as a point of departure for the study of how foreign policymakers within the U.S. Congress today are dealing with Venezuela's Hugo Chávez (1998-present). Blasier's framework is chosen because it has withstood the test of time despite the collapse of the Soviet Union in 1991 and the end of the Cold War threat it had posed to the United States. While a number of other Cold War era theories which

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<sup>1</sup> Former Secretary of State Kissinger (1973-77) while as President Richard M. Nixon's National Security Advisor (1969-75) voiced on June 27, 1970, support for U.S. efforts to block Salvador Allende's election in Chile. Cited by Richard R. Fagen, in "The United States and Chile: Roots and Branches," *Foreign Affairs*, January 1975.

were often crafted as a reaction to short-term developments have come and gone, Blasier's framework remains as relevant in the post-Cold War period as during the Cold War era. Blasier's framework remains relevant because of the enduring, immutable nature of U.S. foreign policy objectives – national security and economic interests.

Despite Latin America's two decade long transition away from authoritarianism to democracy, followed by the more recent precipitous swing toward participatory democracy in Venezuela with the Chávez government's desire to curtail representative democratic practices and the workings of the free market, Blasier's premises continue to identify the main parameters by which U.S. foreign policymakers will react to revolutionary change. As James M. Malloy indicates in *Authoritarians and Democrats: Regime Transformation in Latin America*, there is "no unilinear tendency toward democracy or toward authoritarian rule."<sup>2</sup>

Blasier's framework adroitly finds that the U.S. government's decision to seek accommodation or repress a revolutionary government continues to be based on strategic determinations and its perception of how serious a threat a revolutionary movement or government poses to U.S. security and economic interests.<sup>3</sup> These concerns, and not the George W. Bush administration's more recent emphasis on the promotion of democracy, with the implied possibility of regime change to establish democratic governance, are the constant primary factors traditionally influencing U.S. foreign policymaking.

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<sup>2</sup> Malloy, James M., in *The Politics of Transition in Latin America* in "Authoritarians and Democrats: Regime Transition in Latin America." Pittsburgh, PA: University of Pittsburgh Press, 1987, James M. Malloy and Mitchell A. Seligson, editors, pg., 236.

<sup>3</sup> Blasier, Cole, in *The United States and Democracy in Latin America* in "Authoritarians and Democrats: Regime Transition in Latin America." Pittsburgh, PA: University of Pittsburgh Press, 1987, James M. Malloy and Mitchell A. Seligson, editors, pg., 230.

There are two main alternative arguments to Blasier's theoretical propositions for explaining U.S. foreign policymakers' reaction to Latin American revolutionary movements during the Cold War period. On the one hand Darío Moreno finds in *U.S. Policy in Central America: The Endless Debate* that U.S. foreign policymakers' reaction to Latin American revolutionaries in the past can also be explained in terms of their perceived threat to U.S. security emanating from ideological and military ties to Cuba and the Soviet Union.<sup>4</sup> In addition to the foregoing "Leninization" perspective, another means for explaining U.S. foreign policymakers' reaction to Latin American revolutionaries such as Sandinista Nicaragua according to Moreno is defined in terms of Washington's frustration in having to deal with the American hegemonic decline during the late Cold War period.<sup>5</sup>

Building on these perspectives for explaining U.S. foreign policymakers' past reactions to Latin American revolutionary change, my study is timely since the Chávez's Bolivarian government is the first post-Cold War (1991-present) reformist-revolutionary government to gain power in Latin America. The study, much like Malloy's findings from twenty years ago, shows that Latin American political regimes do not always "conform neatly to our classic notions of either democracy or authoritarianism," a factor that complicates U.S. foreign policymaking.<sup>6</sup>

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<sup>4</sup> According to Moreno this point of view is articulated by Jiri Valenat and Virginia Valenta in *The FSLN in Power*, in Jiri Valenata and Esperanza Duran, eds., "Conflict in Nicaragua: A Multidimensional Perspective," pgs., 3 to 41 and in Arturo J. Cruz, Sr., in "*Leninism in Nicaragua*," *ibid.*, pgs., 41 to 53. See, Moreno, Darío, "U.S. Policy in Central America: The Endless Debate." Miami, FL: Florida International University Press, 1990, pgs., 1 to 3 and 151.

<sup>5</sup> *Ibid.*, pgs., 3 and 151.

<sup>6</sup> Malloy, pg. 256.

Blasier's theoretical premises remain a worthwhile means of identifying revolutionaries and indicating how U.S. foreign policymakers might react to these movements and governments in an age of heightened international tensions. Blasier's perspective, despite the U.S.'s hegemonic decline, in this sense remains a relevant means of studying U.S. foreign policymakers' reaction to Latin American revolutionaries because of, on the one hand, the unlikelihood of Leninism resurfacing as a viable means of political-economic organization in the region. On the other hand, post-Cold War U.S. foreign policymakers are aware of the difficulty associated with trying to assert the sort of American hegemony that characterized the pre- and early Cold War eras. Hegemony has evolved from being viewed in terms of political-military dominance to a more subtle approach based on a political-economic partnership.

### **Hugo Chávez and the Revolutionary Government Challenging the Status Quo**

The Chávez government, albeit democratically elected and certified as such by the Organization of American States (OAS) and the Carter Center in 2004, was initially a reformist government that is morphing increasingly into a socialist-inspired revolutionary regime.<sup>7</sup> United States foreign policymakers during the Bush administration view the Chávez government as evolving into a revolutionary system of governance. The government's inter-branch assessment also concluded that Chávez was democratically

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<sup>7</sup> The Carter Center found no statistical evidence of fraud so great as to change the exit-pollled 60/40 opposition win to the official 40/60 government win. Consequently, former President Carter has publicly commended the Venezuelan people and the outcome of the August 15, 2004, presidential recall referendum. See, Carter, Jimmy, "Observing the Venezuela Presidential Recall Referendum: Comprehensive Report." The Carter Center, February 2005, pgs. 3-4, and 134. <http://www.cartercenter.org/documents/2020.pdf>.

elected and thus overturned Venezuela's previous status quo unwritten system of governance and its power sharing rules known as the *Pacto de Punto Fijo*. Furthermore, Chávez's threats to cut off Venezuelan petroleum shipments to the United States make him an irritant and not a partner of Washington.<sup>8</sup> Chávez's domestic and international policy reorientations have been possible because of high international petroleum prices.

Blasier's Cold War theoretical premises in this regard assist in pigeonholing the Chávez government as a revolutionary regime, and explain how U.S. foreign policymakers might deal with Chávez's bothersome leftist government. According to Blasier the United States has traditionally labeled any reformist regime in the Western hemisphere that seeks to implement reforms that upset the traditional political-economic status quo as revolutionary.<sup>9</sup> Blasier argues that this definition of revolutionary has been the dominant underlying driver in U.S. foreign policymaking behavior over most of the twentieth century.

Blasier indicates that Washington will oppose any revolutionary change in the political-economic status quo in Latin America. To prevent Latin American revolutionaries from gaining political power, and contain or suppress their revolutionary

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<sup>8</sup> This governance pact, born out of the fear of a return to military rule, sought from 1958 until the government immediately prior to Chávez's to moderate demands by requiring consultations among Venezuela's main political parties – Acción Democrática, Comité de Organización Política Electoral Independiente (COPEI), and Unión Republicana Democrática (URD). These parties had participated in the Patriotic Junta that ousted Marcos Pérez Jiménez's regime (1952-58). As such they were involved with the creation of Venezuela's May 1958 electoral law, but unable to reach consensus on fielding a single candidate for the December 1958 elections convoked by Venezuela's post-Pérez Jiménez provisional junta. This inability to reach a consensus led the AD, COPEI, and URD parties in October to draw up the Pact of *Punto Fijo* whereby the parties' leadership agreed to resume cooperation after the December elections. The parties agreed not only to adopt a common policy but more importantly from a stability perspective, to divide cabinet posts and other governmental positions among themselves regardless of which candidate won the December elections.

<sup>9</sup> Blasier, pg. 230.

governments if they do happen to gain power, the United States has in the past intervened to prevent such changes. The United States has also, with varying degrees of success, attempted to reestablish the status quo in the past. The U.S. aversion to change in the status quo has led foreign policymakers to oppose both moderate reformers such as Guatemala's Jacobo Arbenz (1951-54), as well as radical revolutionaries like Cuba's Fidel Castro (1959-2008) and Nicaragua's Sandinistas (1979-90).<sup>10</sup> Similarly Hans Binnendijk and Stuart E. Johnson state in *Transforming for Stabilization and Reconstruction Operations* that during the Cold War the United States intervened militarily "to preserve the status quo, not to alter it, and to manage crises, not to resolve underlying problems."<sup>11</sup>

In a marked departure from Cold War norms, since the end of the Cold War U.S. foreign policymakers have sought to alter the status quo as well as resolve underlying problems.<sup>12</sup> United States foreign policymakers continue to revert to Cold War language (i.e., anti-democratic) to label the Caracas government as being increasingly revolutionary as a result of Chávez's implementation of nationalist reforms that were viewed by Washington as being (Cuban) socialist-inspired and redistributive in nature. A

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<sup>10</sup> Dates connote period of time when in power.

<sup>11</sup> Binnendijk, Hans and Stuart E. Johnson. "Transforming for Stabilization and Reconstruction Operations." Dulles, VA: Center for Technology and National Security Policy – National Defense University, 2004, pgs. 4 -5.

<sup>12</sup> Key examples include, but are not limited to the U.S. organized military task force (Unified Task Force or UNITAF) which entered Somalia in December 1992 (Operation Restore Hope) which was replaced in May 1993 by United Nations Operations in Somalia II (UNOSOM II) and the U.S. led North Atlantic Treaty Organization (NATO) Balkan Air Campaign (Operation Allied Force) against Serbian led Yugoslavia. In the case of the latter, after 78 days of bombings to stop Yugoslav/ Serbian military operations in Kosovo, the air campaign ends with an agreement that recognized Yugoslav/Serb sovereignty over Kosovo but places control of Kosovo under United Nations administration (United Nations Interim Administration Mission in Kosovo or UNMIK).

number of these reforms have adversely impacted American private interests within Venezuela. Examples of Chávez's nationalist reforms are the nationalization of ExxonMobil, ConocoPhillips, and Chevron's privately-run Orinoco oilfields on May 1, 2007. The nationalization of these oilfields had international political and economic ramifications that transcended the U.S.-Venezuela bilateral relationship.

However, and despite Chávez's rhetoric, the Chávez government's reforms failed the test of classical Leninism since there has been no violent revolutionary overthrow of the capitalist bourgeois order supported by the *Pacto de Punto Fijo* parties with a subsequent implementation of the dictatorship of the proletariat.<sup>13</sup> Nor for that matter has the Chávez government made any significant attempts to free the Venezuelan (proletariat) people from what Lenin considered to be modes of false consciousness such as religion and nationalism - the capitalist bourgeois order utilizes these to dominate the population politically as well as exploit it economically. On the contrary, Chávez openly refers to both.

From the U.S.-Venezuela bilateral relationship perspective, Blasier's theoretical premises can be utilized to analyze the revolutionary, anti-United States nature of the Chávez government. Chávez views himself as the leader of an anti-status quo power

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<sup>13</sup> Stalin defined Leninism as the "Marxism of the era of imperialism and the proletarian revolution." In Stalin's own words, "Leninism is the theory and tactics of the proletarian revolution in general, the theory and tactics of the dictatorship of the proletariat in particular." Stalin argues that Lenin "pursued his activities in the period of developed imperialism, in the period of the unfolding proletarian revolution, when the proletarian revolution had already triumphed in one country, had smashed bourgeois democracy and had ushered in the era of proletarian democracy, the era of the Soviets." This is not the case in Venezuela since there are has been no proletarian revolution, nor are there any Soviets in place. See, Stalin, J.V. in "*The Foundations of Leninism: Lectures delivered at the Sverdlov University*" in J.V. Stalin, "Problems of Leninism." Peking, China: Foreign Language Press, 1976, pgs. 2-3, accessed November 1, 2008, <http://www.marx2mao.com/Stalin/FL24.html>. Also see Lenin's pamphlet titled "What is to be Done." Lenin, Valdimir Il'ich, "What Is to be Done? Burning Questions of Our Movement," in "The Lenin Anthology." New York, NY: W. W. Norton and Company, 1975, pgs. 12 to 114.



within the Latin American region and, as such, is heir to Castro's revolutionary mantle. In light of these factors, Blasier's theoretical premises can be utilized to determine how U.S. policymakers will react to such an anti-status quo challenge. For example, key means of dealing with Chávez have been to refuse to be baited into tit-for-tat "shouting matches" in international forums by de-emphasizing the importance of Chávez's denunciations, as well as by limiting contact (defined in terms of assistance and engagement) while reducing U.S. dependence on Venezuelan petroleum supplies and increasing support for pro-democracy groups in Venezuela.

On Chávez's part, his government is actively challenging the United States' claims to hemispheric leadership by seeking to forge strategic alliances with hostile, extra-hemispheric rivals such as the Islamic Republic of Iran, the Russian Federation, and the People's Republic of China. Chávez actions are somewhat analogous to the situation analyzed by Blasier in the *Hovering Giant* which looks at the Soviet Union's involvement with the Cuban and Sandinista revolutionary governments. In the post-Cold War period, Chávez, much like Castro and the Sandinistas, is seeking to promote closer ties with non-western rivals of the United States as a means of breaking Venezuela's, and by extension Latin America's traditional economic and political-military dependence on the United States.<sup>14</sup>

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<sup>14</sup> While the Latin American region remains heavily dependent on the United States and its markets, the United States itself is also quite dependent on its Latin American neighbors. Luigi R. Einaudi indicates that the United States is dependent on Latin America for more than half of its energy imports and nearly 40 percent of its iron and steel imports, and for a number of other resources and commodities. See, Einaudi, Luigi R., in "Trans-American Security: What's Missing," in *Strategic Forum*, Institute for National Strategic Studies – National Defense University, Number 228, (September 2007), pg. 1.

However, today there is no extra-hemispheric power that can threaten the United States' existence as was the case during the Cold War. The absence of a Soviet Union like state negates the threat posed by any sort of Venezuelan alliance with an anti-U.S. extra-hemispheric power.

The foregoing points will be addressed in greater detail in Chapters 5 and 6 which deal specifically with Chávez and Bolivarianism and the politics of oil. For now, the relevance of the latter to the present discussion resides in the fact that it dovetails with Blasier's theoretical propositions of how U.S. foreign policymakers are reacting to Chávez and his government's unwillingness to cooperate with the post-Cold War's emphasis on combating trans-national security problems (e.g., narcotics trafficking, terrorism, humanitarian crises, weapons of mass destruction and proliferation, and asymmetric threats to economies of the West).<sup>15</sup>

By openly refusing to cooperate on these issues, the Chávez government seeks to challenge the United States' political-economic and leadership primacy (hegemonic position) in Latin America.<sup>16</sup> Given the asymmetrical political-military power differential existing between the United States and Venezuela, Chávez's challenge to continued U.S. leadership in the region is only possible if the Latin American states agree to effectively cooperate in the creation of an alternative, more Latin American-centric means of socio-

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<sup>15</sup> Einaudi in this regard believes that with the end of the Cold War and the acceleration of globalization "ideas of closed regionalism are dead everywhere." Einaudi recognizes that for regionalism to prosper it must be open to the world and not retreat from competition. Under this scenario, one where national interests differ and where interdependence is uncomfortable, cooperation must be voluntary and not imposed as was the case during the pre- and Cold War eras. See, *Ibid.* pg. 4.

<sup>16</sup> U.S. hegemony in the Latin American region has declined significantly since the time of the Cuban Revolution in 1959. In the post-Cold War aspect, hegemony and hegemonic are equated with the term that is widely used with the United States government to describe the United States as the Latin American region's "preeminent and or primary partner of preference."

political and economic organization (e.g., Bolivarian Alternative for the Americas or *Alternativa Bolivarian de las Américas* – ALBA).

### **The United States’ Reaction to Latin American Revolutionaries**

Blasier finds that whenever Latin American revolutionaries aim to disrupt the political-economic status quo, U.S. foreign policymakers label both revolutionary movements and governments as being not just anti-American but just as importantly, anti-democratic.<sup>17</sup> Simultaneously, U.S. foreign policymakers defend U.S. policies crafted toward repressing reformist and revolutionary governments as being pro-democratic.<sup>18</sup>

Blasier nonetheless stresses that U.S. foreign policymakers’ labeling of revolutionary regimes as being anti-American and anti-democratic are often a subterfuge for more paramount objectives, namely defending U.S. strategic and economic interests.<sup>19</sup> An example of such strategic thinking is found in the work of Charles D. Lutes, M. Elaine Bunn, and Stephen J. Flanagan, who indicate that the Chávez government engages in practices that “trample (representative) democratic norms and threaten regional stability.”<sup>20</sup>

Unlike the case of poverty-stricken Nicaragua during the Cold War, the Venezuelan state is currently buoyed by the influx of high oil revenues. Petroleum sales

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<sup>17</sup> Blasier, pgs. 223 and 230.

<sup>18</sup> *Ibid.*, pg. 230.

<sup>19</sup> *Ibid.*, pg. 230.

<sup>20</sup> See, Lutes, Charles D., M. Elaine Bunn, and Stephen J. Flanagan in “*The Emerging Global Security Environment*,” in “Strategic Challenges: America’s Global Security Agenda.” Dulles, VA: The Institute for National Strategic Studies – National Defense University Press, Stephen J. Flanagan and James A. Schear, editors, 2008, pg. 14.

provide the Chávez government with the economic wherewithal to challenge the United States. High oil prices also ensure that Caracas can engage in checkbook diplomacy whereby it provides economic aid to its neighbors at a time when Washington “remains vague about regional interests and fails to maintain steady engagement with these governments as respected partners.”<sup>21</sup>

As Robert Keohane and Joseph Nye indicate, economic prosperity for Venezuela, brought about by the dependent nature of its own petroleum-based trade relationship with the United States, is leading to a situation in which Venezuela as a secondary state is increasingly becoming capable of changing assumptions about the benefits of continued American hegemony.<sup>22</sup> The Chávez government is determined, regardless of the economic benefits associated with continued U.S. hegemony and preservation of the status quo, to reduce and eventually do away with Venezuela’s own economic dependence on the United States.

From an international political perspective the Chávez government is seeking to break its dependence on the United States in order to increase its own governmental autonomy and thus international space. It also aims to build up Chávez’s revolutionary credentials within the region. The question that needs to be answered in this context is whether Chávez’s neighbors (e.g., the member states of the Andean Community and the Dominican Republic–Central America Free Trade Agreement), lacking Venezuela’s petroleum resources, will risk losing their own preferential access to U.S. markets and

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<sup>21</sup> Ibid., pg. 14.

<sup>22</sup> See, Keohane, Robert and Joseph Nye. “Power and Interdependence.” New York, NY: Harper Collins Publishers, 2<sup>nd</sup> edition, 1989, pgs. 45-47.

financial resources by opting to subscribe to Chávez's revolutionary governance proposals and Latin American trans-national agenda.<sup>23</sup>

Faced with this challenge, U.S. foreign policymakers during the Bush administration have viewed Chávez's model of socio-political governance and economic organization with growing distrust. Chávez's reforms are anathema to U.S. foreign policymakers since they call for a strong presidency. Chávez is undermining representative democracy by eliminating checks-and-balances and recurring to heavy state intervention in the economy, which negates the benefits of neo-liberalism.

Luigi R. Einaudi, in *Trans-American Security: What's Missing*, points out that U.S. foreign policymakers in the post-Cold War subscribe to the notion that there is now a "direct link between democracy and security."<sup>24</sup> Acceptance of this principle requires cooperation between the United States and its Latin American partners to meet standards of democratic legitimacy. Einaudi's statement explains why the Chávez revolutionary governance model's reliance on participatory democracy, instead of representative democracy, has become so troublesome for U.S. foreign policymakers. The foregoing highlights that what Chávez proposes is a different socio-political governance and economic development model than the status quo representative democracy and neo-liberal free market model advocated by the U.S. government.<sup>25</sup>

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<sup>23</sup> Here reference is made to preferential market access provided to a number of Latin American countries within trade agreements such as the Central American Free Trade Agreement – Dominican Republic (CAFTA-DR) of 2005 and the Andean Trade Preference Act (1991).

<sup>24</sup> Einaudi, pg. 4.

<sup>25</sup> Chávez's Bolivarian Revolution, named after Simón Bolívar, Venezuela's independence hero, seeks to establish what the former has vaguely defined as "Socialism of the Twenty-First Century." In this regard Chávez advocates doing away with the sort of "savage capitalism" which he identifies with neo-liberalism and replace this with his own radical vision of a more egalitarian socialist state. The January 2007 enabling

As a result, Blasier's Cold War era thesis serves as a point of departure for gauging how the United States, and in this case Congress, is dealing with revolutionary change in Venezuela today. Blasier's propositions remain a meaningful means of ascertaining if U.S. congressional foreign policymakers have indeed moved away from Cold War-style policies which often previously supported the executive branch's determination to intervene (overtly or covertly) to suppress revolutionary regimes and install friendly pro-United States governments.

Blasier's thesis that the United States crafts its foreign policies not out of altruism, but rather to ensure U.S. strategic and economic interests remains applicable in the post-Cold War. The notion that U.S. foreign policymakers return to the language of promoting democracy to cloak the pursuit of such interests also appears to remain largely unchanged. While congressional willingness to influence and direct U.S. foreign policymaking has become more assertive since the 1970s as a result of the need to reign in imperial presidencies, this does not mean that policymaking tools have changed. For that matter the willingness of policymakers in the White House and Congress to safeguard U.S. strategic and economic interests has not diminished.

What has changed has been that during the Cold War the United States sought to maintain the status quo. Today U.S. foreign policymakers seek to suppress and oust revolutionary regimes in order to alter the status quo to favor U.S. country and regional diplomatic and trade objectives. U.S. foreign policymakers are now focused on solving

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law promulgated by Venezuela's National Assembly has granted Chávez almost free rein to accelerate changes in broad areas of society by presidential decree. Chávez's opponents argue that the 2007 enabling law will propel Venezuela toward dictatorship. See Associated Press, "Chavez Gets Unprecedented Powers" in the Wall Street Journal (January 31, 2007), <http://online.wsj.com/article/SB117029498706394489.html>.

the underlying problems that have led to the rise of reformist and revolutionary governments whose policies diverge from U.S. strategic concerns and conflict with American economic interests.

Blasier's propositions can consequently be utilized to ascertain how the executive branch deals with Latin American reformists and revolutionaries like Chávez, and also expanded to encompass congressional input in the foreign policymaking process. Congress is assertive not just because it seeks to reign in the presidency and claim constitutional primacy in the foreign policymaking process debate, as will be addressed in the following chapters, but rather it is often motivated to take an active oversight role as a result of constituent-driven concerns. Blasier's thesis and propositions can consequently be used to explain both executive and legislative branches' foreign policymaking reasoning.

The following sections of this chapter will address the forgoing points in greater detail by reviewing the literature on the definition of what constitutes revolutionary movements and governments for U.S. foreign policymakers, how Congress reacts to revolutionary challenges to U.S. leadership, the types of indicators that can be utilized to measure U.S. foreign policymakers' degree of hostility to Latin American revolutionaries such as Chávez, and how these tie in with Blasier's own theoretical propositions.

## **THE TERM REVOLUTIONARY**

The intent of the current section is not to provide an in depth analysis of the term revolutionary. Rather, the purpose of this section is to facilitate an overview of how the term revolutionary is used within this study, how it pertains to Blasier's theoretical

framework, and how it is applicable to the way congressional foreign policymakers interpret revolutions and revolutionaries.

Ofira Seliktar argues in *Failing the Crystal Ball Test* that revolutionary change involves the interaction of factors that bifurcate in different directions, making forecasting difficult to undertake.<sup>26</sup> Seliktar argues that the revolutionary process arises as a result of a crisis of legitimacy that is itself the outcome of fundamental societal norms being discarded in favor of new ones.<sup>27</sup>

For Seliktar, all political life is dependent on legitimacy. Therefore political entities such as parties and or even governing structures can become de-legitimized and thus lead to revolutionary change. Chávez is a revolutionary, not because he overthrew the preceding political order by force of arms, but rather because Venezuela's status quo with its unwritten system of governance and its power sharing rules had lost legitimacy in post-Cold War Venezuela. Chávez successfully exploits popular discontent with the status quo order and channels it to democratically overthrow the *Pacto de Punto Fijo* system. Thus Chávez gains the presidency not by means of a traditional barrack revolt, but rather by leading a ballot box rebellion of the underrepresented segments of the Venezuelan electorate.

Chávez and his political supporters and allies in government have no qualms about saying as much in their official pronouncements on the loss of legitimacy by the

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<sup>26</sup> Seliktar argues in this sense that forecasting involves relating stochastic variables such as crisis or opportunity to evolving situations of highly correlated events. The occurrence, or outcome, of an event is dependent on a number of other events occurring. See, Seliktar, Ofira. *Failing the Crystal Ball Test: The Carter Administration and the Fundamentalist Revolution in Iran*. Westport, CN: Prager Publishing, 2000, pg. 189.

<sup>27</sup> Ibid, pg. XIX.



*Pacto de Punto Fijo* parties and the governing system they operated. They claim that such a loss of legitimacy validates their own claims to legitimacy, a fact that has been reinforced by the multiple times the electorate has come to the support of the Chávez government and its reform programs.

For example, Tarek William Saab, while president of the Venezuelan (Bolivarian) National Assembly's Foreign Affairs Commission (*Comisión Permanente de Política Exterior*), argued that changes implemented as a consequence of Venezuela's popularly backed constitutional reform are meant to do away with forty years of misdeeds (*fechorías*) carried out against Venezuelans' fundamental rights.<sup>28</sup> Saab stresses that Chávez's reform program is revolutionary by transforming the public's access to power. Such radical change can only be made possible for Chávez and his supporters by founding the Venezuelan republic anew. Venezuela's new order guarantees the concerns of foreign investors (i.e., United States), but places these on a secondary level when compared to its claims "to safeguard the interests of the humblest of Venezuelans."<sup>29</sup> According to Saab and other supporters of Chávez, the Chávez revolution's jettisoning of the old *Pacto de Punto Fijo* status quo order and the ensuing, more equitable redistribution of socio-political and economic power ultimately serves as justification for a revolutionary reform program geared towards concentrating power in the Venezuelan executive branch.

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<sup>28</sup> Saab, Tarek William. "*El Proceso Constituyente Venezolano y la Universalidad de los Derechos Humanos: Un Espacio Conquistado para Vivir contra Morir.*" Caracas, Venezuela: República Bolivariana de Venezuela – Asamblea Nacional, Comisión Permanente de Política Exterior. Undated paper circa 2000, pgs. 12 to 15.

<sup>29</sup> *Ibid.*

Robert Pastor's comments in *Condemned to Repetition* builds on the foregoing theories by making the point that such revolutionary processes in Latin America have often and naturally led to a general state of distrust between revolutionaries and U.S. foreign policymakers.<sup>30</sup> Pastor points out that in order to prevent a repetition of the Cuban and Sandinista revolutions the United States has to make an effort to better understand the revolutionary process. Pastor consequently suggests to U.S. foreign policymakers to place a greater reliance on promoting democratic transition in countries with authoritarian regimes. While the Chávez government is not authoritarian, such action could facilitate dialogue. Understanding the revolutionary process could, for the likes of Russell Crandall, assist in staving off a repetition of the sort of Cold War policies that characterized U.S. measures as coercive, unilateral, and distrustful.<sup>31</sup>

Although Venezuela's system of governance prior to Chávez's election was not completely representative of the needs of the entire populace, it was nonetheless considered to be a functional representative democracy by most analysts and U.S. foreign policymakers. As a result, popular discontent with the system of governance was often written off as the normal tribulations of democracy or economically motivated by the U.S. government. United States foreign policymakers, assured in the belief of the enduring nature of the *Pacto de Punto Fijo* political-economic status quo and the continued uninterrupted access to Venezuelan oil, were caught off guard by the possibility of a socialist-inspired nationalist electoral revolt in post-Cold War Venezuela.

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<sup>30</sup> Moreno, Darío and Darío Pérez. *The United States and the Central American Peacemaking Process* in "U.S.-Latin American Policymaking." Westport, CT: Greenwood Publishing Group, David W. Dent, editor, 1995, pg. 492.

<sup>31</sup> See, Crandall, Russell. "Driven by Drugs: U.S. Policy Toward Colombia." Boulder, CO: Lynne Rienner Press, 2<sup>nd</sup> edition, 2008, pg. 8.

The U.S. government failed to anticipate that Chávez's leftist revolution would emanate from up-until-then underrepresented segments of the national electorate and others dissatisfied with the politically corrupt *Pacto de Punto Fijo* system of political representation and its parties.

Joseph McMillan and Christopher Cavoli state that the concept of governing legitimacy as it is presently understood was introduced into modern social science by Max Weber.<sup>32</sup> According to McMillan and Cavoli, Weber describes legitimacy as “the attitude of, shared by people subject to a particular set of social relationships, that the order within which those relationships exist has binding moral authority behind it.”<sup>33</sup>

Departing from that notion, Chávez as a revolutionary can be analyzed based on Juan B. Linz and Alfred Stepan's characterization found in *The Breakdown of Democratic Regimes: Crisis, Breakdown and Equilibrium*. Chávez, like other Latin American revolutionaries, is an individual that no longer pledges allegiance to a political system that has been determined to be illegitimate. For Linz and Stepan, allegiance to a political system exists only as long as the same “guarantees the persistence of, or the opportunity to change, a certain social, normally socioeconomic, order.”<sup>34</sup> The Linz and Stepan interpretation of the term revolutionary shares similarities not only with McMillan and Cavoli's Weberian interpretation of the term, but also coincides with Saab's position.

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<sup>32</sup> See, McMillan, Joseph and Christopher Cavoli, in “*Countering Global Terrorism*” in “Strategic Challenges: America's Global Security Agenda.” Dulles, VA: The Institute for National Strategic Studies – National Defense University Press, Stephen J. Flanagan and James A. Schear, editors, 2008, pg. 37.

<sup>33</sup> *Ibid.*, pg. 37.

<sup>34</sup> Linz, Juan J., and Alfred Stepan. “The Breakdown of Democratic Regimes: Crisis, Breakdown, and Equilibrium.” Baltimore, MD: John Hopkins University Press, 1987, pg. 11.

Chávez wrote off Venezuelan representative democracy, as instituted by the *Pacto de Punto Fijo* system of political representation, as a failure years before being elected. For Chávez representative democracy failed to provide him and others that shared likeminded nationalist goals the opportunity to achieve their political objectives. For Chávez, Venezuela's system of representative governance and its democratic institutions controlled by the *Pacto de Punto Fijo* system parties were at odds with his socio-political and economic beliefs. For Chávez these parties and the order they represented lacked governing legitimacy and had to be eliminated. These factors are the justification for Chávez's (failed) 1992 coup d'état.

While Chávez's attempt to impose revolutionary change in an authoritarian fashion via a coup failed, he has nonetheless succeeded in imposing revolutionary change democratically by means of the slower, more effective and legitimate process of reform via the ballot box.<sup>35</sup> Ironically it has been under the conditions of democratic freedom and compromise associated with the earlier *Pacto de Punto Fijo* system of governance which ultimately allowed Chávez to dispute and win the 1998 presidential election. Nonetheless for supporters of representative democracy and preservation of the status quo, Chávez's election to the Venezuelan presidency has not ushered in an age of democratic renewal but rather democratic decay, as evidenced by the concentration of power in the presidency at the expense of institutional checks-and-balances.

Chávez, much like other Latin American revolutionaries, has sought to change the prevailing socio-political status quo both domestically and in regards to relations with the United States. It is worthwhile to highlight that Blasier uses Mexico's Francisco

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<sup>35</sup> Ibid., pg. 13.

Madero's 1910-11 revolt, Fidel Castro's Cuba after 1961, and Nicaragua's Sandinista government (1979-90) as examples of twentieth century Latin American revolutions that have sought to restructure their societies and relations with regional hegemony.

Blasier's interpretation of revolution is similar to that of Theda Skocpol's definition of social revolution. According to Skocpol, social revolutions are "rapid, basic transformations of a society's state and class structures; and they are accompanied and in part carried through by class-based revolts from below."<sup>36</sup> Skocpol's definition, much like Linz and Stepan's, facilitates the notion that internal support for Chávez by Venezuela's previously disadvantaged groups is a class-based, yet largely non-violent revolt from below that, through the democratic process, has turned the old socio-political agreement struck in 1958 through the *Pacto de Punto Fijo* on its head.

Both Skocpol and Blaiser refer to the socio-political and economic transformations that societies undergo when reformists and revolutionaries alike seize control of a national government. In *Studies of Social Revolution: Origins in Mexico, Bolivia, and Cuba*, Blasier defines revolutionary situations not in terms of simplistic coup d'états and other acts of violence that have often determined Latin American political succession much like Chávez's abortive 1992 coup, but rather in terms of far reaching social revolution like Chávez's 1998 election. Blasier clarifies that revolutionary

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<sup>36</sup> Skocpol's definition of revolution is a valid description of the political upheaval in Mexico (1910-11), but also is a relevant definition of how pro-Chávez masses came to the aid of Hugo Chávez when he was temporarily deposed in the coup d'état attempt of April 11-13, 2002. See, Skocpol, Theda. "States and Social Revolutions: A Comparative Analysis of France, Russia, and China." New York, NY: Cambridge University Press, 1989, pgs. 4-5.

situations entail the violent, “sudden and comprehensive change of social structures and values.”<sup>37</sup>

Both Skocpol and Blasier stress that societies undergoing drastic changes have often sought to break the chains of extreme dependency by adopting radical reforms. In the case of Latin America, these reforms have often conflicted with U.S. government and private American economic (business) interests. This explains Chávez’s reform program and its calls for readdressing what he views as the exploitative nature of the traditional U.S.-Venezuela bilateral relationship.

Chávez’s democratic rise to power subscribes to Skocpol’s notion that social revolutions must be studied from a structural perspective, i.e., developments within the country and those acting upon it from abroad influence the breakdown of past state organizations, leaving in their wake new revolutionary state organizations.<sup>38</sup> Blasier similarly finds that revolutions in Latin America need to be explained not just in terms of being a reaction to deteriorating economic conditions or even international factors which

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<sup>37</sup> Blasier, Cole., in “*Studies of Social Revolution: Origins in Mexico, Bolivia, and Cuba*,” in “Revolutions: Critical Concepts in Political Science.” New York, NY: Routledge Press, Rosemary H. T. O’Kane, editor, Volume IV, 2000, pg. 3.

<sup>38</sup> Skocpol argues that the success or failure of modern revolutions is dependent on the nature of the regime in power. Successful revolutions are more likely in conditions where the central government has weak control over national territory and tends to be exclusionary in its outlook. On the other hand as the state becomes more effective in asserting its control over national territory, becomes more bureaucratized, and inclusive, the prospects for successful revolution decrease. This helps to explain why Chávez’s coup attempt failed in a well-centralized, bureaucratic state such as Venezuela in 1992, but succeeded at the ballot box in 1998. See Goodwind, Jeff and Theda Skocpol, in “*Explaining Revolutions in the Contemporary Third World*,” in “Revolutions: Critical Concepts in Political Science.” New York, NY: Routledge Press, Rosemary H. T. O’Kane, editor, Volume IV, 2000, pgs. 191 to 193.

are larger context issues, but rather in terms of being the byproduct of socio-political crisis.<sup>39</sup>

As a result, Blasier builds on Wilbert E. Moore's definition of revolutionary change which argues that revolutions represent the significant alteration of social structures, values, and cultural products and symbols. Moore's definition of social change allows Blasier to elaborate that revolution is characterized by:

“An exceptionally rapid, comprehensive, and profound form of social change, usually accompanied by violence and resulting in an abrupt and explosive change with the past. This social process redefines man's relationship to land, machines, and other men, thereby reordering the composition of social groups and their relationship to one another.”<sup>40</sup>

Blasier's definition of revolutionary change brings to the forefront U.S. foreign policymakers' concerns with Latin American reformist and revolutionary governments in both the executive and legislative branches of the government. Such concerns were heightened by the U.S. government's fears of reformist and revolutionary regimes' potential links to extra-hemispheric, anti-American rivals of the United States in the past.<sup>41</sup> Most bilateral relations with the Latin American states during the Cold War were

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<sup>39</sup> Blasier here is writing about the belief among “most authorities” that socio-political issues are equally if not more important than economic or fiscal issues as the explanation for revolution. To back this argument, Blasier cites Silvia Herzog, who indicates that revolutions are not exclusively the result of economic, international, or racial issues. Rather, revolutions are the result of socio-political crisis (e.g., loss of legitimacy). See, Blasier (2000), pg. 8.

<sup>40</sup> Blasier quotes Moore further as arguing that social change is defined as a “significant alteration in the social structures (that is, of patterns of social action and interaction), including consequences and manifestations of such structures embodied in norms (rules of conduct), values, and cultural products and symbols. See Blasier, Cole. *The Hovering Giant: U.S. Responses to Revolutionary Change in Latin America, 1910-1985*. Pittsburgh, PA: University of Pittsburgh Press, 1985, pgs. 4 and 307.

<sup>41</sup> Blasier finds that the cases of the Mexican (1911), Bolivian (1952), and Cuban (1959) revolutions were the result of segments of the national population's moral indignation against what they saw as coercive, despotic regimes. Blasier's three social revolutions represent what he calls “the revolt of the wide spectrum

premised on assuring the preservation of the political status quo, economic growth, and cooperation in combating communism.

American foreign policy strategy was the result of the need to counter Soviet interventionism.<sup>42</sup> United States foreign policymakers' pursuit of such objectives often resulted in acrimonious relations developing with revolutionary Latin American regimes and or heightened levels of suspicion and animosity with reformist governments. As a consequence, during the better part of the twentieth century, especially during the height of the Cold War years, congressional foreign policymakers were inclined to concur with the executive branch's characterization of Latin American revolutionary governments as a threat whenever the latter attempted to implement any sort of reforms that impinged upon U.S. national security and private business interests.

While many reformist governments during the Cold War era were often more inspired by nationalist attempts to readdress their one-sided relationship with the United States as well as with local capital and foreign investors rather than being outright communist sympathizers, their reform programs where nonetheless seen by the U.S. government as being suspect if not backed by Soviet communism.

Thomas Bailey, for example, argues in *A Diplomatic History of the American People* (1974) that when Salvador Allende (1970-73) won control of the Chilean

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of the population, or of the groups that claimed to represent that spectrum." Chávez's revolution is similar to these in that it involves a revolt against an elite that had lost by the 1990s if not the ability to govern the country effectively, it had lost the prerequisite overarching societal legitimacy to govern. Chávez's, much like the aforementioned Latin American revolutions, is an indigenous, nationalist revolution seeking a new sense of national unity and purpose. See, Blasier (2000), pg. 25.

<sup>42</sup> Interestingly enough direct Soviet involvement in the internal affairs of the Latin American countries during the Cold War was minimal. The main exception being Soviet involvement in the Cuban revolution, whose success made it possible for Cuba to become involved in Latin American guerilla insurgencies. See, Chernick, Marc W., in *Peacemaking and Violence in Latin America* in "The International Dimensions of Internal Conflicts," Cambridge, MA: MIT Press, Michael E. Brown, editor, 1996, pg. 276.



government, albeit through free and fair democratic elections in 1970, his seizure in 1971 of \$800 million (equivalent to over \$4 billion in 2007) in American holdings - namely Anaconda and Kennecott copper mining interests - led to a backlash by Wall Street bankers who saw the compensation being offered by the Chilean government as inadequate.<sup>43</sup> The perceived lack of proper compensation for these nationalizations combined with President Richard M. Nixon's (R, 1969-74) longstanding belief of Allende's complicity with international communism was enough to seal the fate of the Allende government.

Marc W. Chernick in *Peacemaking and Violence in Latin America* indicates that the onset of the Cold War in the 1950s led the United States to reaffirm the basic principles of the Monroe Doctrine, whereby external interference in the Western hemisphere was prohibited and the Soviet Union replaced Europe as the source of hostile, extra-hemispheric interference.<sup>44</sup> The success of the Cuban revolution drove U.S. foreign policymakers to fear a repetition of these events. It was the fear of another Cuba, this time established on the Latin American mainland, which led the Nixon administration to work toward the overthrow of the Allende government given what it saw as Chile's growing communist inclinations.<sup>45</sup>

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<sup>43</sup> Bailey, Thomas. *A Diplomatic History of the American People*. Englewood Cliffs, NJ: Prentice-Hall, 1974. 9<sup>th</sup> edition, pg. 939. For computing the relative value of the U.S. dollar in 1971 to 2007 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, August 9, 2008.

<sup>44</sup> See, Chernick, pg. 270.

<sup>45</sup> The intelligence assessment National Security Study Memorandum (NSSM) 97 – “Regarding threats to U.S. interests,” predating Allende's election concluded that the United States had no vital national interests in Chile despite tangible economic losses. It also determined that the world military balance would not be significantly affected by an Allende victory. However, it did find that an Allende victory would create political costs by undermining hemispheric cohesion at the Organization of American States, as well as

Although the Central Intelligence Agency (CIA) did not carry out the coup d'état that overthrew Allende, this agency was nevertheless authorized by the Nixon administration to establish contacts and provide support for anti-Allende forces within the Chilean polity.<sup>46</sup> William I. Robinson indicates in *Promoting Polyarchy: Globalization, U.S. Intervention, and Hegemony* that a major component of the CIA's function outside of intelligence gathering and paramilitary campaigns were "political operations." The Central Intelligence Agency's political operations involved "the creation, covert funding and guidance of allied political groups and individuals in target countries – media, political parties, trade unions, businesses, and associations."<sup>47</sup> Acquiring, cultivating, and exploiting contacts were CIA hallmarks during the Cold War and remain a vital component of U.S. foreign policy to this day.

What has changed in the post-Cold War era has been the realization among U.S. foreign policymakers that with the disappearance of the Soviet Union and the cessation of its non-constructive interventionist foreign policies, U.S. security no longer requires the same regional dominance based on the previous era's conceptual and programmatic pillars (e.g., counter-insurgency and development assistance).<sup>48</sup> Lars Schoultz writes that

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represent a "psychological advance for the Marxist idea." See, Kornbluh, Peter. "The Pinochet File: A Declassified Dossier on Atrocity and Accountability." New York, NY: The New Press – National Security Archive, 2003, pg. 8.

<sup>46</sup> According to Kornbluh, the CIA pursued a basic three-step plan that: 1) identified, contacted and collected intelligence on likely coup plotters within the Chilean military; 2) communicated full support for the coup short of sending in U.S. military forces (i.e. Marines), and; 3) fostered the creation of a climate conducive to a coup by propaganda, disinformation, and terrorist activities in order to provide justification for a military uprising. Ibid. pg. 14.

<sup>47</sup> Robinson, William I. *Promoting Polyarchy: Globalization, U.S. Intervention, and Hegemony*. New York, NY: Cambridge University Press, 1996, pg., 86.

<sup>48</sup> Chernick, pg., 272.

with the departure of the Soviet Union from the Latin American political landscape, “U.S. security interests no longer required the same level of dominance.”<sup>49</sup>

In *National Security and U.S. Policy toward Latin America*, Schoultz identifies a causal linkage between Latin American instability and security threats to the United States.<sup>50</sup> Therefore, absent the main source of Latin American instability (i.e., the Soviet Union), the threat emanating from the region toward the United States should decrease. With the reduction of the threat driver comes the consequent reduction in the need to dominate the region, require absolute hemispheric cohesion, and even the need to focus scarce foreign policy resources on the region at times of heightened instability elsewhere.<sup>51</sup>

According to Crandall, this new reality should allow U.S. foreign policymakers both in the executive and legislative branches to prioritize multilateralism and dialogue instead of coercion and dominance. Crandall, however, indicates that contrary to such notions, as Schoultz has argued, the United States has established as its hemispheric policy the creation of a new set of threats in order to justify continued regional domination.<sup>52</sup> For Crandall, this situation is based on the hegemonic presumption belief

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<sup>49</sup> Crandall, pg. 8.

<sup>50</sup> See, Schoultz, Lars. *National Security and U.S. Policy toward Latin America*. Princeton, NJ: Princeton University Press, 1987, pg. 38.

<sup>51</sup> Chernick indicates that during the Cold War era there were five forms of outside intervention in Latin American internal conflicts: 1) Latin American support for insurgencies in other Latin American countries; 2) Soviet assistance to Cuba, and on a reduced scale to Sandinista Nicaragua; 3) the deployment of U.S. military forces; 4) the creation of U.S.-sponsored proxy armies, and; 5) the extension of U.S. military assistance to local governments and the training of local military and police forces. See, Chernick, pg. 276.

<sup>52</sup> Crandall indicates that initially (prior to the events of September 11, 2001) these threats ranged from drug trafficking to dictatorship to financial mismanagement and have served for many policymakers as a justification for continued domination of the Latin American region. Crandall, pg. 8.

among U.S. foreign policymakers that the United States has the right and the obligation to continue to intervene in the internal affairs of the Latin American states in the name of security and economic interests whenever deemed appropriate.<sup>53</sup>

However, the manner in which the United States is intervening today has evolved. Robinson is of the opinion that U.S. foreign policymakers now intervene in the Latin American region by focusing intensely on civil society itself, instead of the Cold War norm of focusing on government structures.<sup>54</sup> As a result, the purpose of the current U.S. democracy promotion policies are not to suppress but to penetrate and conquer civil society and integrate subordinate classes and national groups into a hegemonic transnational social order.<sup>55</sup>

The U.S. Congress supports the three top priorities of U.S. foreign policy for post-Cold War Latin America: 1) opening of markets; 2) strengthening of democracy; and 3) combating the flow of illegal narcotics. For example, Congress has ratified the North American Free Trade Agreement (NAFTA, 1993), as well as free trade agreements with Chile (2004), the Dominican Republic and Central America (DR-CAFTA, 2007), and Peru (2007). Congress has also reiterated its concerns about the state of democracy in the region and in particular Venezuela on numerous occasions. Additionally, Congress has provided funding for combating the flow of illegal narcotics and recently provided an additional \$4 billion for Plan Colombia.

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<sup>53</sup> Ibid., pg. 8.

<sup>54</sup> Robinson, pg. 29.

<sup>55</sup> Ibid., pg. 29.

The U.S. Congress has supported and funded these measures throughout the post-Cold War period in order to counterbalance growing Latin American disenchantment with representative democracy and the neo-liberal economic policies the United States wishes to see implemented by the Latin American states. Gabriel Gaspar in *Political Change in Latin America: Regional Geopolitical Implications*, indicates that with the end of the Cold War, most of the Latin American states underwent democratic transformation and overcame authoritarian rule in addition to opening up to the global economy.<sup>56</sup> By doing so, it was thought such political changes could lead to a convergence of interests between the United States and Latin America.<sup>57</sup>

However, Latin American popular expectations and the quality of elected democratic leaders continued to vary widely within the region. Socio-economic difficulties have added to growing popular disenchantment with representative democracy and neo-liberalism. Congress reacts to these concerns by providing funding to U.S. programs that support human rights groups and democracy promotion

In the case of Venezuela, the U.S. Congress continues to react to Chávez's revolutionary reform program by raising its concerns on the state of Venezuelan democracy and human rights, energy issues, terrorism, and the overall status of the

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<sup>56</sup> Gaspar, Gabriel, *Political Change in Latin America: Regional Geopolitical Implications*, (April 20, 2006), Colleagues of the Americas Seminar Series – National Defense University, Institute for National Strategic Studies, accessed November 1, 2008, [http://www.ndu.edu/inss/responsibility/inss\\_proceedings/colleagues\\_for\\_the\\_Americas/colleagues\\_2006\\_03.pdf](http://www.ndu.edu/inss/responsibility/inss_proceedings/colleagues_for_the_Americas/colleagues_2006_03.pdf).

<sup>57</sup> Ibid.

bilateral U.S.-Venezuelan relationship.<sup>58</sup> While U.S. funded democracy promotion programs have operated in Venezuela since 1992, funding levels for the National Endowment for Democracy (NED) and other democracy promoting activities in Venezuela have expanded under the Chávez government.<sup>59</sup> Funding support for NED activities continues to be criticized by the Venezuelan government as overt intervention, as opposed to covert CIA intervention/support as outlined in preceding passages by Robinson, for the opposition and those groups involved in the failed April 2002 coup attempt against the Chávez government.<sup>60</sup>

Interestingly enough the factors just outlined coincides with Abraham Lowenthal's position on how U.S. domestic issues in the post-Cold War are increasingly the impetus and justification for continued overarching U.S. influence in the region.<sup>61</sup> Lowenthal believes that U.S.-Latin American relations in the post-Cold War period will be defined by the international spillover of U.S. domestic concerns involving both domestic and international aspects and actors.<sup>62</sup> Congressional interest in developments in Venezuela will be increasingly premised not just on internal Venezuelan issues, but will also be viewed in terms of their impact on congressional constituents' concerns. In this sense Congress will have to marry constituent-driven concerns such as high domestic

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<sup>58</sup> Sullivan, Mark P. *Venezuela: Political Conditions and U.S. Policy*. Washington, DC: Congressional Research Service (CRS), (revised August 1, 2008), accessed November 1, 2008, pg. 59, <http://fpc.state.gov/documents/organization/109526.pdf>.

<sup>59</sup> *Ibid.*, pg. 41.

<sup>60</sup> *Ibid.*, pg. 41.

<sup>61</sup> Crandall, pgs. 8 to 9.

<sup>62</sup> *Ibid.*, pgs. 8 to 9.

gasoline prices with Chávez's calls for production cuts. Lowenthal's "intermestic" issues will force Congress to further assert itself in the foreign policymaking process and question how U.S. policies dealing with revolutionary change are crafted.

### **BLASIER'S THEORETICAL FRAMEWORK**

Blasier's theoretical framework is built around the three classical revolutionary phases or stages: rebel movements (insurrections), reformist governments, and revolutionary change.<sup>63</sup> Blasier's analysis is comparative and draws general propositions about U.S. foreign policy and its relationship to revolutionary change in Latin America. As such, Blasier's theoretical model is built around four revolutionary case studies: Mexico (1910-14), Guatemala (1944-54), Bolivia (1943-63), and Cuba (1956-61). In the *Hovering Giant*, Blasier utilizes the would-be Dominican Republic revolution of 1965, post-1968 Peru, and Allende's Chile to further test his propositions.

The main premise of Blasier's theoretical framework is that the U.S. foreign policymakers' actions, in this case the decisions made to accommodate, suppress or repress a reformist or a revolutionary government, are a reaction to actions carried out by reformists and revolutionary governments. If reforms and or revolutionary changes are compatible with U.S. interests, then accommodation is the likely outcome. Otherwise, there is a significant proclivity for U.S. foreign policymakers to suppress and repress would-be reformists and revolutionaries alike. If the latter have links to rival extra-hemispheric powers of the United States, then the U.S. Government will seek to change the offending regime and sever that country's ties to that rival extra-hemispheric power.

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<sup>63</sup> See, Blasier, 1985, pg. 4-5.

In recent years Blasier's theoretical framework has been grouped together with that of other Latin American comparativist scholars. Like the work of a number of other comparativists, Blasier's arguments have been criticized by Bates and Geddes as being unsystematic, not cumulative, untestable, or maybe even a-theoretical.<sup>64</sup> Yet, Blasier's conclusions on the drivers of U.S. foreign policymaking in reaction to revolutionary change in Latin America remain valid. U.S. foreign policymaking continues to emphasize that its primary objective is the protection of the United States and its national security interests (e.g., assuring the integrity of national borders and the continued survival of the U.S. population, as well as continued American economic prosperity). Preoccupation with security subsequently relegates both private business interests and general notions of public good to secondary and tertiary tiers of importance for U.S. foreign policymakers.

United States foreign policymakers, especially at the senior level, have focused almost exclusively and consistently over the decades on national security. From an operational policymaking perspective, it is worth noting in this context that whenever a foreign policy concern lacks a national security component, and if American business interests are also not in serious jeopardy, then U.S. foreign policy is often relegated to the bureaucratic mid-level.

Within the context of the present study, a recurrent theme based on Blasier's theoretical framework is that Chávez's nationalization of the oil majors' privately run oilfields within the Orinoco River Basin region is an example of what could potentially

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<sup>64</sup> See, Coppedge, Michael. *How the Large N Could Complement the Small in Democratization Research*. University of Notre Dame: Notre Dame, IN. Accessed, September 23, 2007. <http://www.nd.edu/~mcoppedg/crd/cpmeth.htm>. Also see, William, Mark Eric in *Theory-Driven Comparative Analysis: Dead on the Gurney or Lost in the Shuffle?* (September 22, 2000). Accessed, September 23, 2007, [http://www.accessmylibrary.com/coms2/summary\\_0286-1903156\\_ITM](http://www.accessmylibrary.com/coms2/summary_0286-1903156_ITM).



constitute a threat to both U.S. national security and private business interests. However, the type of oil (largely sour, heavy crude) extracted from the Orinoco oil belt, declining U.S. dependence on Venezuelan oil imports, and the Chávez government's willingness to negotiate compensation for expropriated holdings placates many of the concerns that are otherwise associated with an immediate threat to U.S. national (energy) security.<sup>65</sup>

Chávez's persecution of Venezuela's independent, pro-opposition media is equally relevant to the present discussion. Although Chávez's action is distasteful to many in the United States, it does not constitute a threat since even the expropriation of American oil holdings in Venezuela are relegated to the non-vital interest level.

### **Blasier's Theoretical Propositions: Their Interpretation**

To help explain the U.S. government's response to Latin American revolutionary change, the study utilizes Blasier's list of twenty propositions. The propositions pertaining to the three phases or stages of revolutionary change are detailed in Table 1.

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<sup>65</sup> The May 2007 nationalizations have without a doubt impacted American private business interests. Yet what needs to be considered when reviewing this type of nationalization is how Chávez will compensate the affected companies. In the past the nationalization of American private business interests, such as those that occurred with Guatemala's attempt to implement a sweeping land reform detrimental to U.S.-based United Fruit Company, led the U.S. government to sanction overthrowing an offending regime in 1954. Today's situation, characterized by the absence of an extra-hemispheric, interventionist power such as the Soviet Union precludes a similar situation. For further discussion on the subject matter see Chapters Four through Six.

**Table 1 - Blasier's Propositions for United States Government's (USG) Action Grouped by Relevance to the Three Phases or Stages of Revolutionary Change**

Proposition	Definition
<b>Number 1</b>	USG will respond flexibly to rebel movements (stage 1) whenever the United States does not associate these rebel movements with a Great Power rival. USG will be hostile toward rebel movements when these are perceived to be associated with rival Great Powers.
<b>Number 2</b>	USG will be hostile toward most reformist governments (stage 2) primarily because of the adverse impacts these have on U.S. private interests.
<b>Number 3</b>	USG responds to revolutionary governments (stage 3) in accordance to their links to the U.S. strongest Great Power rival (Germany until 1945 and the Soviet Union 1947-91) and its impact on U.S. national security interests. Strategic considerations shape whether response is conciliatory or suppressive.
<b>Number 4</b>	USG leaders opt for a conciliatory response if they determine that the revolutionary government will negotiate a settlement of issues in conflict and that an agreement precludes further interference of a hostile Great Power. USG leaders opt for suppression when they determine that the revolutionary government will not negotiate an agreement and avoids an agreement when it is deemed the best means of preventing or countering the interference of a hostile Great Power.

Source: Blasier, 1985, pg. 236.

Blasier's first four propositions pertain to the U.S. government's responses to revolutionary change. For example, in *Proposition 1*, Blasier holds that during the insurrection phase (stage 1) senior-level U.S. foreign policymakers (either the President and or senior members of the Department of State) are actively engaged in policy formulation. These actors in Blasier's country case studies react to rebel movements in Mexico (1910-11), Guatemala (1944), and Cuba (1957-59) in a flexible manner once it became evident that these revolutionary movements did not at that point have meaningful links to a rival Great Power of the United States.

With regard to the case of Bolivia (1943-44) then Secretary of State Cordell Hull (1933-44) adhering to the parameters that correspond to Blasier's *Proposition 1* rejects

and refuses to recognize the Gualberto Villarroel government out of fears that Villarroel's *Movimiento Nacional Revolutionario* (MNR) and the MNR cabinet were sympathetic to National Socialist (Nazi) Germany. The case of Bolivia represents an example of reactionary policy made to repress a revolutionary regime once it is identified by U.S. foreign policymakers to have been corrupted by an extra-hemispheric, anti-American power. Corruption is not the result of revolutionaries overthrowing the previous socio-political regime. Instead it is a designation applied to a regime linked to a hostile Great Power rival of the United States.

Blasier's *Proposition 2* holds that the U.S. government adopts a hostile position toward rebel movements once these secure control of governing institutions and establish reformist governments (stage 2). Blasier makes the argument that the decisive consideration that leads to hostile/ suppressive U.S. government action against reformist governments is the perception by U.S. foreign policymakers that the latter's reforms adversely impact American private interests. U.S. government retaliatory action in this case has often included the suspension of foreign aid, checking the offending regime's proposals and participation in international forums, and active support for the regime's opponents.<sup>66</sup>

Unlike the prevailing situation in *Proposition 1*, in *Proposition 2* the key foreign policy decision-makers are non-cabinet members either located at the ambassadorial level or are mid-level State Department bureaucrats. Examples of reformist governments that

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<sup>66</sup> For example the United States blocked Venezuela's election to the United Nations (UN) Security Council in 2006 to prevent Chávez from interfering with United States' plans to pressure Iran over its nuclear program. See, Regan, Tom, "US working to block Venezuela's Security Council bid," in *The Christian Science Monitor*, (June 19, 2006), accessed August 9, 2008, <http://www.csmonitor.com/2006/0619/dailyUpdate.html>.

met with U.S. government hostility in the past include Mexico (1913), Bolivia (1946), and Guatemala (1950). However, in the case of Cuba (1959, January-May), State Department bureaucrats initially opt to maintain open lines of communication with the new Castro government during its initial reform stage. Their assessment of the possibility of accommodation led them to forgo the recommendation of political-economic sanctions that were feared could possibly push Castro into the Soviet camp.

Blasier's *Proposition 3*, in comparison to *Proposition 1* and *2*, stresses that the U.S. government responds to revolutionary governments in a manner commensurate to these governments' perceived link to extra-hemispheric, anti-American powers. For Blasier, the U.S. government's strategic considerations are the key determinant of whether American foreign policymakers – in this case the President, the Secretary of State, and or senior members of the Department of State – will seek accommodation with the revolutionary government or alternatively seek to suppress it. Blasier highlights that there are four possible outcomes in *Proposition 3*: reconciliation (i.e., Mexico, 1915-17), acceptance (i.e., Bolivia, 1952), support (i.e., Bolivia, 1961), or suppression (i.e., Cuba, 1961).

In *Proposition 3* Blasier determines that the decisive consideration for a sitting U.S. president to seek reconciliation may be the need to secure the nation's border. The need to secure the U.S.-Mexico border was the decisive consideration in President Woodrow Wilson's (D, 1913-21) 1915 decision to provide Mexico's Carranza government with *de facto* recognition (with *de jure* recognition occurring in 1917). Wilson, having secured the U.S.-Mexico border by withdrawing American forces from Mexico, could then enter the First World War in Europe without the distraction of a

possible war in North America. Wilson's decision to withdraw American forces from Mexico in 1917 reduced tensions with Mexico City and consequently prevented the Carranza government from entering the First World War on the side of Germany.

Accommodation with a revolutionary government can also result from U.S. foreign policymakers' willingness to accept the revolutionary government whenever it assures the United States that it will not adversely affect American private interests with the implementation of revolutionary measures. An example of this situation is the Harry Truman administration's (D, 1945-53) acceptance and recognition of the MNR-led Bolivian government in 1952. The Bolivian government assured the Truman administration that American private properties and holdings in Bolivia would not be nationalized without proper compensation.<sup>67</sup>

Once the MNR government reached an agreement with the American owners of expropriated Bolivian tin mines, the U.S. government benevolently extended emergency economic assistance to Bolivia in an act of reconciliation in 1953. The United States' action here demonstrates that expropriation with proper compensation leads to reconciliation as a means to block the reformist government from entertaining the possibility of accommodating Soviet (communist) influence in the country. Cold War concerns over potential Soviet interventionism in Bolivia provides U.S. foreign policymaking bureaucrats within the State Department with the justification for their 1961 recommendation for expanded economic assistance through the Plan Triangular within the greater context of the Alliance for Progress.

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<sup>67</sup> Interestingly enough the issue of compensation, and what constitutes fair and timely compensation, will play a significant role with regards to whether the United States will move either toward reconciliation with Caracas in the future. Alternatively, American policymakers may seek to further suppress the Chávez government.

Alternatively, *Proposition 3* according to Blasier can also be utilized to explain why the U.S. government will seek to suppress a revolutionary government. Blasier's *Proposition 3* holds that the suppression of a revolutionary government is the preferred policy once U.S. foreign policymakers determine that a reformist or revolutionary regime has link to an extra-hemispheric, anti-American rival of the United States. Blasier identifies the principles of *Proposition 3* as being the determinants that led President Dwight Eisenhower (R, 1953-61) to reverse the U.S. government's previous position of acceptance of the Castro government (*Proposition 2*) in March 1960.

The enduring legacy of Eisenhower's policy reversal has been the U.S. government's decades-long active suppression of the Castro government, which the President initiated by authorizing the arming of Cuban émigrés for a then possible invasion of Cuba. Cuban exiles went on to launch their failed amphibious assault at the Bay of Pigs from April 17-19, 1961, during the Kennedy administration (D, 1961-63).

Blasier's *Proposition 4* holds that the U.S. government will opt to adopt a conciliatory position toward a revolutionary government whenever the regime indicates its willingness to reach an acceptable settlement of issues in conflict. A settlement precludes any further link by the reformist or revolutionary regime to an extra-hemispheric, anti-American power. Examples that typify such a settlement are Mexico in 1915-17, and again in 1938-41, as well as Bolivia in 1951 and 1961.

Blasier also finds that senior U.S. foreign policymakers, especially the President, will be inclined to suppress a revolutionary government whenever it is determined that the regime is unwilling to negotiate an acceptable agreement of outstanding issues. Blasier's *Proposition 4* also highlights the possibility that the President and other senior-

level foreign policymakers may seek to subdue a settlement agreement whenever it is deemed the best means of preventing or countering the interference of an extra-hemispheric, anti-American power. A clear example of such a situation is the Eisenhower administration's decision to implement measures to eliminate the Cuban sugar quota once the U.S. government determined that the Castro regime was unwilling to negotiate in good faith.

Blasier's framework makes a compelling argument of cause-and-effect as key determinants of U.S. foreign policymakers reacting to revolutionary change in Latin America. Blasier's *Propositions 1- 4* highlight that reformist and revolutionary actions will result in largely predictable American foreign policies. These propositions can consequently be utilized to anticipate U.S. government reactions to reformist and revolutionary governments.

Blasier's framework is not limited to just the three revolutionary stages or to four propositions. Rather Blasier's framework also encompasses a set of economic and bureaucratic explanations as determinants of U.S. reactions to revolutionary change as indicated in Table 2.

**Table 2 - Blasier's Propositions for United States Government's (USG) Action Grouped by Relevance to Economic and Bureaucratic Explanations**

<b>Proposition</b>	<b>Definition</b>
<b>Number 5</b> (economic)	Economic considerations and private business interests are important in the formulation of USG policies and are compatible with policies decided on strategic grounds. However, strategic factors take precedence over economic considerations.
<b>Number 6</b> (bureaucratic)	The President or the Secretary of State is engaged in Great Power rival strategic decision-making.
<b>Number 7</b>	Departmental officials are the principal decision-makers in most responses perceived as strategically insignificant. Scant participation by the President or the Secretary of State.
<b>Number 8</b>	USG responses determined by departmental officials are in line with those of U.S. private interests or at least do not blatantly oppose these interests.
<b>Number 9</b>	USG responses involve intra-agency conflict. Bureaucratic considerations will condition USG response.
<b>Number 10</b>	Strategic considerations and or private interests prevail over bureaucratic considerations and are incorporated into the internal bargaining process.
<b>Number 11</b>	USG suppressive responses are the result of the need to retain U.S. hemispheric political primacy.
<b>Number 12</b>	USG responses are shaped by: 1) the President acting with or through cabinet-level officers; 2) leaders of large corporations working with the U.S. Congress and the executive branch; and 3) middle level diplomats and civil servants. Responses are result of security, economic, and bureaucratic considerations.

Note: Propositions 6 through 12 are labeled by Blasier as "bureaucratic explanations" of USG action.  
Source: Blasier, 1985, pgs. 236-237.

Note that Blasier indicates in *Proposition 5* that although economic considerations and private business interests are important in the formulation of the U.S. government's response to revolutionary change, strategic considerations will ultimately prevail. *Proposition 5*, while recognizing the importance of economic factors, defers to security considerations – national security trumps all other issues. Both Presidents Wilson and



Franklin D. Roosevelt (D, 1933-45) were motivated to seek reconciliation with Mexico in 1915-17 and again in 1938-41 due to U.S. national security concerns (e.g., threats to U.S. vital interests). They recognized that retaliatory actions, for example continued American interference in Mexican internal affairs or sanctions levied against Mexico for its nationalization of U.S. oil properties, could ultimately push Mexico into the German camp.<sup>68</sup>

Blasier's *Propositions 6, 7, and 8* are tied together by a common thread. In these three propositions the ultimate determinant of whether the President and or cabinet-level officials become involved (*Proposition 6*) in the U.S. government's response to revolutionary change is strategic considerations with respect to the involvement of an extra-hemispheric, anti-American power. For example, President Kennedy's decision to authorize the Bay of Pigs invasion in April 1961 is the result of concern over growing Soviet involvement in Cuba. Should there not be an extra-hemispheric, anti-American power link, mid-level departmental officials will retain primary responsibility for determining the U.S. government's response (*Proposition 7*) and will likely formulate policies in accordance with the demands of American private interests or at the least not conflicting significantly with those interests (*Proposition 8*).

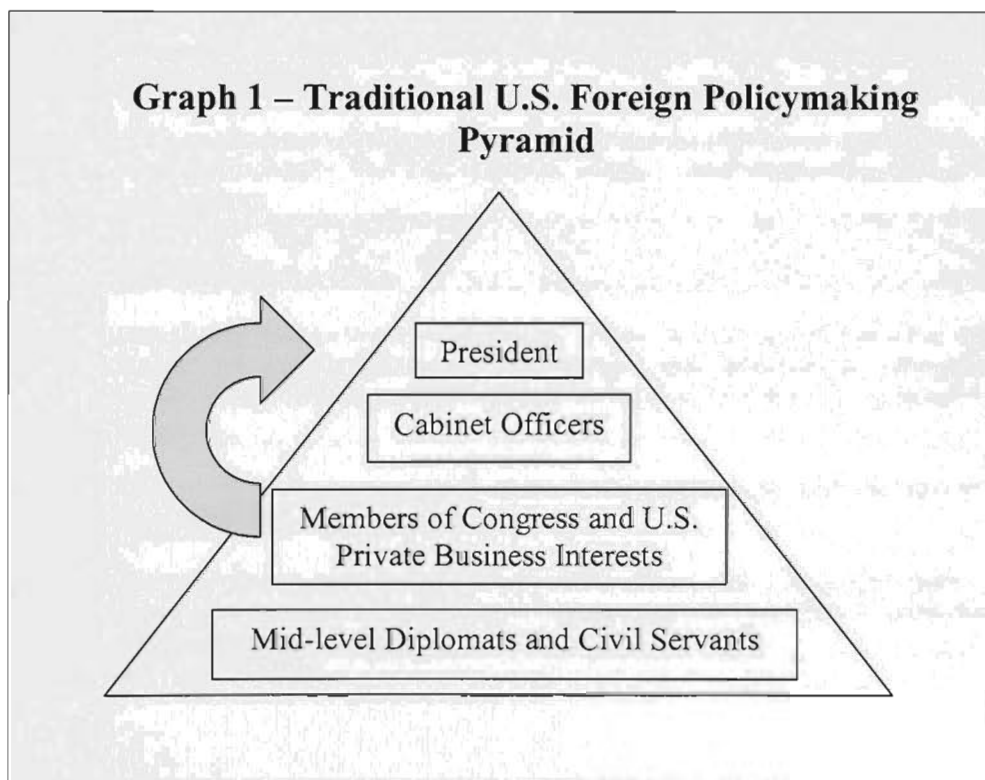
In Blasier's *Propositions 9, 10, 11, and 12*, the common theme linking the propositions is the bureaucratic decision-making process. Here again the issue of strategic considerations remains the ultimate determinant of not just the type of response, but also how that response is determined internally within the U.S. government. Blasier indicates

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<sup>68</sup> Note that General John J. Pershing marched into Mexico in pursuit of the disgruntled Mexican revolutionary general Francisco Villa for his March 9, 1916 raid on Columbus, New Mexico.

that ultimately the U.S. government's actions will be determined by a combination of security, economic, and bureaucratic considerations (*Proposition 12*).

The U.S. government's foreign policy is affected by the pyramid-like structure (Graph 1) in which the President is located at the apex, with cabinet-level officers immediately below, followed by members of Congress working with U.S. private business interests. Forming the base of the pyramid, and consequently supporting the actions of those above it, are mid-level diplomats and career civil servants, who may often have a combination of vested (institutional) interests and cultural affinities for recommending certain policies over others. However, congressional oversight and funding functions often place Congress on an equal footing with the President in impacting U.S. foreign policy as indicated by the curved arrow.



Blasier also provides propositions that both evaluate the outcome of the U.S. government's responses as well as highlight the impact of policies on revolutionary governments. Table 3 below assists in summarizing this third set of propositions.

<b>Table 3 - Blasier's Propositions for United States Government's (USG) Action Grouped by Responses Evaluated and Impact</b>	
<b>Proposition</b>	<b>Definition</b>
	<b>Responses Evaluated</b>
<b>Number 13</b>	USG perceptions of German influence in Mexico and Soviet influence in Cuba are correct. USG perceptions of German influence in Bolivia and Soviet influence in Bolivia and Guatemala are exaggerated or incorrect.
<b>Number 14</b>	USG's strategic responses in Mexico and Bolivia are functional whereas in Guatemala and Cuba are dysfunctional.
<b>Number 15</b>	Security considerations and not the need to protect U.S. private interests justify USG's decision to sponsor armed action against a revolutionary government.
<b>Number 16</b>	The U.S. public's perception that the USG has the obligation to check the spread of communism inculcates in U.S. leaders a fear of political repercussions if they fail to contain communism.
<b>Number 17</b>	USG responses are crafted out of business and security concerns as described in <i>Propositions 2 and 3</i> . Few USG responses are taken out of broad conceptions of U.S. public interest.
	<b>U.S. Impact</b>
<b>Number 18</b>	Conciliatory policies will have moderating and de-radicalizing influences that will tend to check the momentum of revolutionary change. Suppressive policies will polarize societies and radicalize opposition groups leading to the creation of revolutionary situations.
<b>Number 19</b>	USG policies will generally not facilitate revolutionary governments' attempts to reduce their dependence on the United States.
<b>Number 20</b>	The revolutionary process does not reduce dependence unless the revolutionary government succeeds in establishing a firm one-party rule and effective subordination of the armed forces.

Source: Blasier, 1985, pgs. 237-238.

Blasier's final eight propositions ultimately evaluate the effectiveness of the U.S. government's responses to revolutionary change. Blasier utilizes *Propositions 13-17* to examine the overall accuracy of the U.S. government's perception of a threat and highlight what drives American foreign policies vis-à-vis the actions of Latin American reformist and revolutionary governments.

Blasier's *Proposition 13* questions whether the U.S. government's fears of German influence in Mexico and Soviet interventionism in Bolivia, Guatemala, and Cuba were justified. Blasier points out that in the case of German influence in Mexico and Soviet influence in Cuba, U.S. foreign policymakers' conclusions were essentially correct. However, U.S. foreign policymakers' fears of Soviet influence in Guatemala and Bolivia were either incorrect or significantly exaggerated.<sup>69</sup>

The question that needs to be asked at this point is how does *Proposition 13* explain the U.S. government's correct assessment of what constitutes a threat by an extra-hemispheric, anti-American rival under one set of circumstances while in other cases it fails to properly gauge the nature of the threat?

Arguably the Mexican (1915-17) situation, like that of Cuba in 1961 shares a number of similarities that made both of these governments susceptible to being influenced by extra-hemispheric, anti-American rivals of the United States. In this regard the Carranza government, alarmed by continued U.S. interference in the internal affairs

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<sup>69</sup> The Bolivian revolution is a consequence of domestic upheaval that originates in the 1930s and extends throughout the 1940s as the economic base of Bolivia's old social system collapses as a result of the tin mining sector's decline. Up until then Bolivia's social system relied almost exclusively on the economic benefits of tin mining. The immobility of mining assets and declining output contribute to the general deterioration of the middle and working classes' living conditions. This factor combined with the loss of ruling legitimacy of Bolivia's traditional leaders as a result of defeat in the Chaco War in 1935 results in the rise of a new generation of reformist military leaders with populist proclivities.

of Mexico and Pershing's occupation of northern Mexico, was increasingly drawn to contemplate collaboration with the German Empire. Such collaboration, if left unchecked, could have led to the possible formation of an alliance, threatening the U.S. underbelly and keeping the United States from entering the conflict raging in Europe.<sup>70</sup> The Wilson administration's foresight to unconditionally remove American forces from Mexico and recognize the Carranza government placated Mexican pride, thus halting the development of a Mexican-German alliance.<sup>71</sup>

With regards to Cuba in 1961, past American involvement in Cuban affairs irked Cuban nationalist proclivities and contributed to the push of the nascent Castro regime towards the Soviet Union. Prior to 1961, the Cuban communists were neither powerful nor had substantial ties to Moscow. Today the consensus is that Castro sought to achieve his political objectives in the early 1960s by narrowing the ideological and political-diplomatic gap between Cuba and the Soviet Union as a means of changing the traditional framework of U.S.-Cuban political-economic relations, and that U.S. suppressive action actually facilitated Castro's agenda.

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<sup>70</sup> Interestingly the Mexican overture to Germany provided the latter with the possibility of establishing submarine bases in Mexico to counter U.S. involvement in Mexican affairs.

<sup>71</sup> Similarly In the years leading up to the Second World War, the United States' concerns with Mexico's relations with the Axis powers are a result of Germany's high level of espionage, counter-espionage, sabotage, and psychological warfare directed toward the United States during the First World War from Mexican soil. What helped to prevent Mexican-German relations from progressing toward an anti-American alliance during the pre-war period was the foresight of Roosevelt and other senior U.S. foreign policymakers to seek accommodation with Mexico in spite of its March 1938 seizure of foreign oil fields. U.S. foreign policymakers' unwillingness to exert harsh economic sanctions in retaliation for the oil field seizures, combined with the government of President Lázaro Cárdenas' distaste for the Axis powers given on its reliance of support from Marxist-oriented labor, precluded Mexico from joining the Axis fascists. The U.S. government's willingness to compromise on differences with Mexico, as well as offer economic inducements and collaborate politically, worked to cool relations between Mexico City and Berlin.

The Mexican (1915-17) case represents accommodation with the revolutionary government on the part of the United States and on the part of Mexico represents willingness to compromise by severing threatening links to a Great Power rival of the United States. Once the Carranza government achieved its political objective of obtaining a U.S. military pullout from its northern territories, it no longer saw it beneficial to pursue the establishment of a wartime alliance with Germany, opting instead to remain neutral throughout the First World War.

Castro on the other hand realized early on that in order to achieve his political-economic objectives, namely doing away with Cuban dependence on the United States, he had to reach out to the Soviet Union as an alternative, albeit far distant, patron.

Although *Proposition 13* shows that an enlightened response by U.S. foreign policymakers to a revolutionary regime will likely lead to a rapprochement between it and the revolutionary regime, this has not been the case with Cuba. This proposition stresses that in order for rapprochement to be feasible, the revolutionary regime must sever its ties to extra-hemispheric, anti-American rivals of the United States. By 1961, Castro confirmed the Eisenhower administration's suspicions about growing Soviet influence in Havana through a combination of inflammatory statements heralding the further radicalization of Cuban society and willingness to associate his regime with the Soviets during the Cold War. The Eisenhower administration moved to repress the Castro regime based on Blasier's *Propositions 2* and *3*.

Blasier's *Propositions 13* and *14* are similarly linked. The former deals with the validity of U.S. official perceptions, whereas the latter focuses on the efficacy of the U.S. government's actions. Blasier argues that while the U.S. government's response to

strategic fears in the Mexican (1915-17) and the Cuban (1961) cases are correct or functional using Blasier's own terminology, the United States' response to the Bolivian and Guatemalan (1954) situations is dysfunctional.

The U.S. government's response to revolutionary change in Bolivia and Guatemala is dysfunctional. It is a knee jerk reaction to the (remote) possibility of growing communism in these societies. Blasier's *Proposition 14* finds that the U.S. government's actions against these two countries was not driven by a significant or growing communist presence, but rather was the product of America's own obsession with anti-communism and the inability of American foreign policymakers to make the distinction between populism and communism.

As a result of U.S. policymakers' inability to make the distinction between populism and communism, the government's policies when dealing with reformist and revolutionary governments during the early years of the Cold War succumbs to Senator Joseph McCarthy's (R-Wisconsin, 1947-57) "Red Scare." While U.S. foreign policymakers' inability to distinguish between the factors leading to the rise of populism and communism may have been due to their past experiences with oligarchic politicians and conservative military leaders, it is nonetheless McCarthy's pursuit of communist and communist sympathizers within the U.S. Department of State that ultimately shaped policy. In this regard, McCarthy's actions not only ruined careers, but equally importantly disabled others within the department to make the crucial distinction that

Latin America's rising populism was more likely to result in a military dictatorship than a communist takeover.<sup>72</sup>

Like the case with a number of Blasier's other propositions, *Propositions 15, 16, and 17* are also linked to each other. While the primary justification for military intervention associated with these propositions arises from U.S. foreign policymakers' security concerns, what is interesting to note is Blasier's comment that under these scenarios American intervention was determined by the executive branch of the government. Presidents Eisenhower and Kennedy authorized paramilitary action against Guatemala (1954) and Cuba (1961), while Johnson (D, 1963-69) authorized the deployment of U.S. forces in the Dominican Republic (1965) and Nixon ordered covert CIA action against Allende as early as 1970.<sup>73</sup>

The pressure placed on the White House by the American electorate has facilitated attempts led by the executive to check perceived Soviet interventionism in

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<sup>72</sup> Senator McCarthy's involvement in foreign policymaking can be deemed to be itself dysfunctional and ultimately counterproductive.

<sup>73</sup> Interestingly enough among the thousands of National Security Council (NSC) papers recently declassified by the Nixon Presidential Materials Project at NARA, the White House's (SECRET/SENSITIVE) Memorandum for the President, "Subject: NSC Meeting, November 6-Chile," dated November 5, 1970, shows Kissinger's forceful attempts to influence Nixon's policy toward an Allende government. Kissinger emphasized to Nixon that Allende's election "poses for us one of the most serious challenges ever faced in this hemisphere." Kissinger goes on to list the threat Allende would pose to U.S. private business interests in Chile and elsewhere. But most alarming for Kissinger was the precedent set as an "example of a successful elected Marxist government" would have on other reformists and revolutionaries. Heralding a number of aspects otherwise associated with Chávez's own election and subsequent reelection, this memo notes that Allende will seek to be: "internationally respectable; move cautiously and pragmatically; avoid immediate confrontations with us." Kissinger attributes this to Allende's "gameplan" to "neutralize" his political opponents in Chile. Kissinger urged Nixon to overrule the U.S. State Department position that the U.S. did "not have the capability of preventing Allende from consolidating himself or forcing his failure" and that U.S. influence was best gained by "maintaining our relationship and our presence in Chile." Kissinger goes on to recommend a hostile policy of pressure and opposition, but implemented "quietly and covertly" for "maximum effectiveness." See, Kornbluh, Peter. *The Pinochet File: A Declassified Dossier on Atrocity and Accountability*. National Security Archive Electronic Briefing Book Number 110 (February 3, 2004), accessed, September 30, 2007. <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB110/index.htm#doc2> and <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB110/chile02.pdf>.



Latin America, interpreted as being carried out by revolutionaries and reformist alike. Throughout the Cold War, the electorate tasked the U.S. President with primary responsibility of curtailing the advance of communism. Blasier's *Proposition 16* best captures the notion of presidential action geared to suppressing (toppling) an offending regime under such circumstances.<sup>74</sup> International communism (i.e., Soviet interventionism) is identified not only as a threat to American private business interests in the region, but is also seen as constituting a threat to the heart of American society as represented by independent labor, universities, the free press, and organized religion.

Blasier finds that when the foregoing sectors were not threatened by Latin American reformists or revolutionary governments' links to an extra-hemispheric, anti-American rival of the United States, U.S. foreign policymakers crafted the government's responses to non-security related challenges around private sector and other domestic special interests. As a result of this, *Proposition 17* indicates that significant, sustained special interest pressure may be placed upon the executive branch to adopt policies that go against its own policy preferences.<sup>75</sup>

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<sup>74</sup> Up through the Viet Nam era the American electorate's prevailing view on international communism was that it represented a threat to all aspects of American life and that the President was responsible for combating it.

<sup>75</sup> A case in point indicative of the validity of Blasier's framework even outside of the Latin America context, is the situation that arose with General George C. Marshall's failure to secure a coalition government in China bringing together the nationalists and communists. This led the Truman administration to conclude that the proper policy course would be to terminate all further military and economic aid to the nationalist government of Chiang, Kai-shek. However the powerful China lobby within the U.S. Congress managed to exert significant enough pressure on the Truman administration, namely by threatening to withhold its support for the Marshall Plan and European recovery being threatened by Soviet (communist) expansionism, that the White House was forced to reverse its position and continue aiding Chiang. This sort of situation results in U.S. policy being shaped by global strategy and or special interests instead of on the merits of the drivers of a particular bilateral relationship.

## **Blasier's Theoretical Propositions: Evaluating the Impact of U.S. Foreign Policies**

Blasier's *Propositions 18, 19, and 20* evaluate the impact of the U.S. government's policies crafted to address revolutionary change in Latin America. Blasier recognizes that the extent of American influence on Latin American countries has been so extensive and enduring over the past two centuries that a comprehensive evaluation is difficult to achieve for all of these countries under the best of circumstances. However, Blasier focuses largely on two major aspects to draw his conclusions: first, the effect of the U.S. government's policies on the pace of revolutionary change; and second, on the effects of the U.S. government's policies on reformist and revolutionary governments' attempts to reduce their traditional dependency on the United States.

In *Proposition 18* Blasier finds that whenever American foreign policymakers have adopted conciliatory policies, such as is the case with Mexico and Bolivia, these policies have had a moderating effect on the impacted governments. For Blasier these policies have often succeeded in de-radicalizing reformists and revolutionaries alike. Alternatively, whenever the U.S. government has implemented suppressive policies (i.e., Guatemala and Cuba), Blasier concludes that these policies have polarized societies and radicalized opposition groups.

Blasier finds that excessive American pressure combined with the suspension of economic and military aid force reformist and revolutionary governments to turn to a hostile great power rival of the United States. For example, Blasier refers to the case of the reformist government of Jacobo Arbenz (1951-54) in Guatemala and the revolutionary regime of Fidel Castro (1959-present) in Cuba. Both of these governments turned either out of necessity and or out of political affinity to the Soviet Bloc. In any

case, Latin American reformist and revolutionary leaders have consistently become embittered and rabidly anti-American, and thereby more prone to seek out an extra-hemispheric, anti-American rival of the United States whenever U.S. foreign policymakers have sought to repress their regimes.

As both reformist and revolutionary governments seek to reduce their traditional dependence on the United States, American foreign policymakers become increasingly unwilling to accept these governments and their proposed reforms since these adversely impact American interests. The U.S. government's opposition to these reformist and revolutionary governments' measures is similar to the situation indicated in *Proposition 17*, which argues that action at times is undertaken as a result of the White House having to accede to special interest concerns.

Blasier's *Proposition 19* concludes in a self-evident manner that the U.S. government will not generally facilitate a reformist, and especially not a revolutionary government's attempts to loosen the ties of dependence. Blasier's *Proposition 19* also highlights the fact that attempts by reformist and revolutionary governments to implement reforms geared toward weakening their reliance on the United States have largely been unsuccessful.

Blasier points to the example of Cuba's Che Guevara's diatribe that the American sugar quota subjugated the Cuban people to a form of economic slavery, as a means of highlighting the fact that even when Cuba switched its reliance on the United States market for that of the Soviet Union its overall economic vulnerability actually increased. Cuba's dangerous overreliance on the Soviet Union as its largest single export

and import market was made apparent by the almost complete collapse of the Cuban economy in the wake of the implosion of the Soviet Union in 1992.

Reliance on subsidized trade with the Soviet Union and its Eastern Bloc satellite states left Cuba exposed to the consequences of the political upheavals in those countries. In the process the evaporation of financial and material resources undermined the Castro regime's legitimacy and stability. Nonetheless the Castro regime succeeded, where the East Germans failed, by opening societal pressure valves (e.g., turning a blind eye toward Cubans seeking to leave the island) to lower socio-political pressure on the regime.<sup>76</sup> It has also been adept at finding alternative sources of financing either in liberal European capitals or in an ideologically close ally such as Chávez.

Blasier's *Proposition 19* can be applied to present day Cuba as well. The Castro regime, notwithstanding its longevity and resilience, has failed to reduce its vulnerability to political and economic dependence on a foreign patron. Today Cuba is increasingly dependent on Chávez as it was on the United States in 1959 and the Soviet Union in 1992. Although Castro has managed in the past to mitigate some of the effects of external influence on his regime by concentrating political-economic power in his own hands, Venezuela's proximity, combined with Fidel and Raúl Castro's advanced ages and the need to ensure the continuation of the revolution, will increase Cuba's dependence on Chávez and Venezuelan resources.

Blasier's *Proposition 20* contrasts with *Proposition 19* by concluding that the revolutionary process does not reduce a country's dependence unless the revolutionary

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<sup>76</sup> The East Germans sought to prevent its citizens from escaping to the West by mining its borders and installing automatic firing guns pointed inwards instead of outwards toward potential invaders.

government succeeds in establishing firm one-party rule and the effective subordination of the country's armed forces to the revolutionary leadership. In *Proposition 20* Blasier argues that only by carrying out the preceding two measures will the revolutionary government be able to isolate the country's internal affairs from foreign interference.

Both Castro's Cuba and Chávez's Venezuela are examples of Blasier's *Proposition 20*. Although this argument will be further developed in the following chapters, suffice it to say for now that in the Cuban case the Castro brothers firmly control both the Cuban Communist Party and the Cuban military-intelligence apparatus which has allowed the Castro regime to forswear a return to pre-1959 style economic reliance on the United States even while staring down the near collapse of the national economy in 1992.

Venezuela under Chávez is similarly moving in the Castro political-economic model's direction. First, following the failed opposition-led coup attempt of 2002, Chávez has sought not only to increasingly restrict political opposition with his uncontested control over the country's National Legislative Assembly (Legislature), but also has increased his control over Venezuela's armed forces. Secondly, Chavez has managed to sideline the opposition by means of the ballot box and aided by internal divisions within the opposition. Chávez is now politically powerful enough that he can further consolidate his control over the country by forcing allied political parties to join his own party or be made irrelevant as has largely occurred with the opposition.

## **Blasier's Theoretical Propositions: Assessing the Impact of 1961 on Latin American Revolutionary Change**

Having reviewed Blasier's theoretical framework and its twenty propositions, the next step is to briefly elaborate on what has been the U.S. Government's wait-and-see approach to Latin American revolutionaries during the pre-1960s period and how this has changed because of the success of the Cuban revolution in 1959 and its consolidation by 1961.

Prior to the 1960s American foreign policymakers often exhibited a certain degree of tolerance toward Latin American revolutionaries. This was the case while the revolutionaries had either not yet seized actual political power, or were otherwise effectively consolidating their holds over the national governments.

Largely, the U.S. government's concern with communism in Latin America at the dawn of the Cold War was not as great then as it would become by the 1960s. Lars Schoultz finds that the U.S. Department of State's Policy Planning Staff concluded as early as the Bogotá Conference (1948) that although communism in Latin America remained a potential danger, at that point it did not represent a serious danger when compared to developments then underway on the European continent with a few possible exceptions. A notable exception is the case of Guatemala under the government of Jacob Arbenz (1951-54) which by the early 1950s was seen by the U.S. government as a communist-inspired government (Blasier's *Propositions 3 and 4*).<sup>77</sup>

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<sup>77</sup> Prior to Arbenz's overthrow (June 27, 1954) the Eisenhower administration (1953-61) isolated Guatemala at the Organization of American States (OAS) by bullying the other member states into adopting an anti-communist resolution that insinuated that the Arbenz government was a communist beachhead. This resolution facilitated international support for the mutinous Colonel Carlos Castillo Armas and his peasant army. Armas' ultimate success depended in no small measure on the logistical support

United States foreign policymakers' inability to properly discern the true ideological nature of Latin American reformist and revolutionary governments has been a persistent problem. As a result U.S. foreign policymakers have often equated nationalist reformist governments (e.g., Guatemala's Arbenz government) that have sought to readdress what they perceive to be economic and political exploitation by the United States, as being leftist at best, and communist in the worst cases (Blasier's *Propositions 13 and 14*).

However, the Cuban revolution (1959) is the catalyst that galvanized American foreign policymakers' perceptions of a link existing between Latin American revolutionary change and Soviet interventionism. Prior to the Cuban revolution U.S. foreign policymakers had often favored a wait-and-see approach (excluding Guatemala's Arbenz government). The American approach served as a means of ascertaining how the revolutionary change would play itself out, permitting U.S. foreign policymakers to focus resources on ascertaining the implications of the revolutionary agenda on American interests.

What has changed since 1961 and has contributed to undermining this wait-and-see approach is that Latin American revolutionaries began to view the United States as an enemy from the onset of their campaigns to overthrow their countries' established (traditional-conservative) political order. Before the 1960s, both reformists and revolutionaries alike were hesitant of taking actions that could potentially antagonize the

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provided by a covert Central Intelligence Agency (CIA) operation code-named PBSUCCESS, which included the strafing of Guatemala City by unmarked planes and the jamming of the country's airwaves with reports of the government's imminent collapse. See, Streeter, Stephen, "Interpreting the 1954 U.S. Intervention in Guatemala: Realist, Revisionist, and Post-Revisionist Perspectives," in *The History Teacher*, Vol. 34, No. 1 (November 2000), pgs. 61-62.

United States, therefore curtailing their ability to raise funds and support for their endeavors amongst the American electorate.

Even Castro, whose socialist proclivities were honed while imprisoned (1952-55) on the Isle of Pines (Cuba), freely traveled to the United States in 1955 prior to his overthrow of the pro-U.S. regime of Fulgencio Batista (1952-59) to explain his cause and raise funds for the revolutionary action.<sup>78</sup> The Castro example compares satisfactorily with somewhat similar activities carried out by Mexico's Francisco I. Madero during his 1910-11 rebellion in which he went as far as organizing armed units on U.S. territory for his insurrection against the established Mexican government.<sup>79</sup>

As the preceding statements indicate, U.S. foreign policymakers in the pre-1960s period were often sympathetic to revolutionaries. Even when U.S. foreign policymakers were not sympathetic to revolutionaries, they were at least not antagonistic as is normally the case in the late Cold War period. The U.S. Government's tepid response to Latin American revolutionaries in the past is a consequence of Latin American reformists and

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<sup>78</sup> Although Castro had sought to initiate political reform in Cuba through the country's political system by seeking a parliamentary seat during the 1952 election, Batista's coup against the government of president Carlos Prío Socarrás (1948-52) and the subsequent cancellation of elections motivated Castro to launch an unsuccessful armed attack against the Moncada Military Barracks in Oriente province. Upon his release from prison in 1955, Castro traveled to the United States (Bridgeport, Union City, New York, Miami, Tampa, and Key West) and Mexico to raise funds for a new strike against the Batista regime. Castro even met with staunch anti-communists like then Vice President Richard M. Nixon. One of the largest donations made to Castro while in the United States was made by Socarrás who turned over approximately \$40,000 to \$50,000 to Castro in McAllen, Texas in September 1956 (equivalent to \$297,000 to \$370,000 in 2006). See, Blaiser, Cole. *The Hovering Giant: U.S. Responses to Revolutionary Change in Latin America 1910-1985*. Pittsburgh, PA: University of Pittsburgh, 1985, pg. 20. For computing the relative value of the U.S. dollar in 1956 compared to 2006 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, August 30, 2007.

<sup>79</sup> It is worthwhile to note that under a different set of circumstances a half a century later, such actions would by then be considered to be an outright violation of United States neutrality laws. This fact is evidenced by the United States indictment of 190 Cubans and the subsequent conviction of 170 of them for violating U.S. neutrality laws.



revolutionaries going to extensive lengths to reassure U.S. foreign policymakers that they would act responsibly and honor the international commitments signed by previous governments.<sup>80</sup>

With the triumph of Fidel Castro's revolution in 1959, and the subsequent deterioration of relations between Washington and Havana by 1961, the wait-and-see approach fell by the wayside. A significant departure from past revolutionary perceptions of legitimacy is that with the triumph of the Cuban revolution, Latin American revolutionaries no longer sought to assure either the U.S. Department of State or the American public that their objectives were not anti-American. Rather, Latin American revolutionaries have for almost fifty years consistently identified the U.S. government, and the American interests it represents, as an enemy of their revolutionary agendas. Labeling the United States as being a hostile anti-reformist and anti-revolutionary state is however an outgrowth of U.S. policymakers' support, actual or perceived, for those regimes that Latin American reformers and revolutionaries alike have sought pressure to change or overthrow since the 1960s.

Jorge I. Domínguez argues that during the Cold War era the U.S. government became prone to deploying military forces against, or covertly sought to overthrow, Latin American governments when these represented an ideological threat to the United States.<sup>81</sup> In his view, while in the early Cold War period the United States sought to

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<sup>80</sup> An example of this sort of situation is Francisco I. Madero's commitment to respect Mexico's pre (November 30) 1910 treaties and obligations. In addition, Madero bound himself to guaranteeing his government's responsibility for any damages to American property and interests or injuries to American citizens. See, Blasier, pgs. 19-20.

suppress Latin American (reformist/ revolutionary) governments only if these were interpreted as moving significantly toward becoming communist, were quasi-communist, or had already become communist states. By the second half of that era any anti-American government was seen as an ideological threat.<sup>82</sup>

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<sup>81</sup> Domínguez, Jorge I., "U.S.-Latin American Relations during the Cold War and its Aftermath," in Working Paper Series 99-01 (January 1999) Weatherhead Center for International Affairs - Harvard University: Cambridge, accessed August 28, 2007, <http://www.ciaonet.org/wps/dji01/>.

<sup>82</sup> Ibid.

## CHAPTER 3 - GOING BEYOND THE WATER'S EDGE

“The Framers . . . gave to Congress the responsibility for deciding matters of war and peace. The President, as Commander-in-Chief, was left with the power to “repel sudden attacks” . . . Whenever the President acts unilaterally in using military force against another nation, the constitutional rights of Congress and the people are undermined.”

Louis Fisher, constitutional scholar<sup>1</sup>

### **THE PRIVILEGE OF PRIMARY RESPONSIBILITY: AN OVERVIEW OF THE EXECUTIVE-LEGISLATIVE DISPUTE OVER FOREIGN POLICYMAKING LEADERSHIP**

#### **Setting the Stage**

The United States (U.S.) President and the Congress share significant foreign policymaking powers under the U.S. Constitution of 1787. However, the Framers deliberately, or through oversight, chose not to specify which of these two branches of the federal government is ultimately responsible for U.S. foreign policymaking. Such constitutional ambiguity necessitates inter-branch cooperation as it places constraints on the possibility of one branch, either the executive or legislative branch, from otherwise monopolizing the U.S. foreign policymaking process.

The Objective of Chapter 3 is not to pass judgment on the Framers' decision to diffuse primary responsibility in the U.S. foreign policymaking process. Such a review is outside the scope of the present study. Similarly, the present discussion does not seek to categorically answer the question of which of the three federal branches of government

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<sup>1</sup> Cited by McCormick, James M. in *American Foreign Policy and Process*. Itasca, IL: F.E. Peacock Publishers, Inc., 1998, Third edition, pg. 321.

has the privilege of primary responsibility in the U.S. foreign policymaking process. That is a task best suited to constitutional scholars.

Rather, Chapter 3 provides a general overview of how congressional foreign policy is made and the inter-branch institutional constraints under which foreign policy is crafted. The overview of the executive-legislative dispute and the accompanying institutional discussion is necessary for setting the stage for the country-specific case studies analyzed in the study's latter chapters. The present overview provides context of how the inter-branch dispute for the privilege of primary responsibility in foreign policymaking impacts the congressional determination of whether post-Cold War Latin American reformists and revolutionaries alike constitute a threat to U.S. vital interests.

### **U.S. Constitutional Ambiguity**

Constitutional ambiguity precludes a quick resolution of the debate as to which branch of the U.S. government has the privilege of primary responsibility for directing foreign policymaking. At first glance, it seems that constitutional ambiguity exists to force the branches of the federal government to cooperate in foreign policy formulation. One could expect that in the face of ambiguity, the branches of government would be forced to work together in crafting U.S. foreign policies promoting the national interests over local, state, or other special interests.

As Gordon Silverstein holds in *Imbalance of Powers: Constitutional Interpretation and American Foreign Policymaking*, wherein he cites James Madison's position in *Federalist 37* (1788), one of the most difficult tasks confronting the Framers was the need to balance stability in government with "the inviolable attention due to

liberty and the republican form.”<sup>2</sup> From the Framers’ delicate constitutional balancing act the present constitutional system of separation-of-powers has arisen. The U.S. constitutional system of checks-and-balances added to ambiguity surrounding which branch of government ultimately leads the foreign policymaking process, should in practice inhibit the dominance of the foreign policymaking process by one branch or alternatively limit the proclivity for partisan foreign policies by diffusing responsibility.<sup>3</sup>

Nonetheless partisan-driven foreign policies do often prevail. Highly partisan policymaking prevails especially whenever one of the two major parties gains control of the White House (executive branch) and Congress (House of Representatives and the Senate). Partisanship characterizes George W. Bush’s first term as president (R, 2001-05) as well as the first half of Bush’s second term in office through the 2006 mid-term elections when the Republican Party controlled both the White House and Congress.

Following the 2006 mid-term elections, control of Congress again flipped back to the Democratic Party. The Democrats have subsequently expanded their hold on Congress as a result of the 2008 general elections, capitalizing on voter dissatisfaction with the Bush administration’s domestic economic and international foreign policies. As

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<sup>2</sup> Silverstein, Gordon. *Imbalance of Powers: Constitutional Interpretation and American Foreign Policymaking*. New York, NY: Oxford University Press, 1997, pg. 213. See also, Madison, James, *Federalist 37*, in Hamilton, Alexander, James Madison, and John Jay, *The Federalist*. Middleton, Connecticut: Wesleyan University, Jacob E. Cooke, editor, 1961, accessed December 12, 2008, <http://press-pubs.uchicago.edu/founders/documents/v1ch9s9.html>.

<sup>3</sup> Under the Articles of Confederation (1777-87), the states retained such a degree of independence vis-à-vis the central government that Congress found itself often not only lacking sufficient funding but more importantly even the necessary quorum to deliberate and approve treaties such as the Treaty of Paris (1783) which for weeks Congress was unable to act upon. During the Articles of Confederation period members of Congress paid greater attention to home state politics and their personal affairs rather than focusing upon the nation’s legislative body. See, Library of Congress, “Documents from the Continental Congress and the Constitutional Convention, 1774: Identifying Defects in the Confederation.” Accessed, December 16, 2007, <http://memory.loc.gov/ammem/collections/continental/defects.html>.

a result of the Democratic Party's reinvigorated control of Congress, combined with the incoming Democrat presidential administration of Barak H. Obama (elected November 2008, assuming office January 2009), the tone and pace of U.S. foreign policymaking will in all likelihood be characterized by a high degree of partisanship up through the 2010 mid-term elections.<sup>4</sup>

In past years whenever one of the two major parties has lost majority party status, it has managed to remain politically relevant despite the loss of control of one or both Houses of Congress, as well as the White House. In the position of minority opposition party a measure of influence is nonetheless retained as a result of the recognition by both major parties of the inevitability of eventual electoral alternation in subsequent elections. In other words, today's minority party is tomorrow's majority party and vice versa.

Centrists' (moderates) in the minority party under such circumstances often succeed in negotiating policy compromises with the majority party's own moderates and thereby retain political influence in the policymaking process between elections.<sup>5</sup> As a consequence, under circumstances of divided control of the federal government, especially when one party controls the legislative branch and the other the executive

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<sup>4</sup> The Republican Revolution of 1994, which resulted in the net gain of 54 seats in the House and an additional eight seats in the Senate for the Republicans, continues to influence foreign policymaking both as a consequence of dominance as well as Democratic backlash following the 2006 mid-term election that has seen political tables turned on the Republican Party. In the November 4, 2008 Senate elections, popular disapproval of the Bush administration led to a gain of seven seats for the Democrats, with one of the State of Minnesota's seats (Norm Coleman, R) in the Senate at the time of writing subject to a recount. The 2008 House election also expanded the Democrats' 2006 majority in the House of Representatives.

<sup>5</sup> Although prior to the 1994 election the Republicans had not controlled the House of Representatives since the 83<sup>rd</sup> Congress (1953-55), they nonetheless had retained control of the Senate. This control of the Senate lapsed after the 83<sup>rd</sup> Congress until the 97<sup>th</sup> Congress (1981-83) and has oscillated ever since. The incentive for the majority party to negotiate with the minority party is based on the majority party's recognition that its own control of Congress is subject to periodic electoral contest, the outcome of which cannot be guaranteed to ensure the return of all members of the governing party to power.

branch, the position of moderate members of Congress on both sides of the aisle tends to strengthen, facilitating compromise that leads to bi-partisan foreign policies.

Bipartisan policymaking mitigates partisan proclivities. However even with bipartisan cooperation there is always the possibility for gridlock (disagreement). Gridlock occurs whenever the White House and Congress fail to overcome significant differences over policies.<sup>6</sup> As a result, U.S. foreign policymaking can be encumbered not just by partisanship within Congress, but also by the executive-legislative inter-branch struggle for policymaking leadership.<sup>7</sup>

The foregoing does not imply that Congress is powerless to avoid or overcome situations of gridlock. Glenn P. Hastedt finds that Congress has the capability to limit or amend presidential foreign policy legislation by exercising its legislative powers.<sup>8</sup> An example of congressional intervention diverging from the Bush White House's objectives occurred at the onset of the administration when both Houses of Congress forbade Mexican commercial trucks from operating more than twenty miles within the United States.<sup>9</sup>

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<sup>6</sup> Snow and Brown clarify that the possibility of policy gridlock increases whenever "partisan divisions intensify the institutional rivalry inherent in a separation-of-powers structure." See Donald M. Snow and Eugene Brown. *United States Foreign Policy: Politics Beyond the Water's Edge*. Boston, MA: Bedford/ St. Martin's, 2<sup>nd</sup> edition, 2000, pgs. 161-162.

<sup>7</sup> Time will tell if the Democrats' control of both the White House (Barak H. Obama) and the 111<sup>th</sup> Congress (2009-11) will facilitate executive-legislative branch foreign policymaking cooperation or will, contrary to popular expectations, lead to gridlock.

<sup>8</sup>See, Hastedt, Glenn, P. *American Foreign Policy: Past Present, Future*. Upper Saddle River, NJ: Prentice Hall, 2003, 5<sup>th</sup> edition, pgs. 202-203.

<sup>9</sup> Congress, succumbing to domestic pressure from a coalition of labor and consumer groups, voted to restrict Mexican commercial trucking's free access to the United States citing safety concerns in violation of stipulations of the North American Free Trade Agreement (NAFTA). *Ibid.*, pgs. 202-203.

The Mexican trucking case is an example of legislative foreign policy reactionism and represents a case where domestic protectionist concerns within Congress drove the majority of its membership to intervene in the U.S. foreign policymaking process in opposition to the White House's position. However congressional foreign policymaking has institutional limitations that allow the executive branch to take on a leadership role.

Congressional domination of the foreign policymaking process is hindered by Congress's institutional outlook which is neither truly national, nor international. Such a limitation, combined with Congress's lack of a professional civil service and other extensive resources that the executive branch controls, curtail its ability to either hijack the U.S. foreign policymaking process outright or constitutionally assert itself more in the lead foreign policymaking role.

In addition, the 535-member Congress (435-member House of Representatives and 100-member Senate) is driven by the need to formulate policies that will get its members reelected.<sup>10</sup> With 535-would be Secretaries of State, Congress is often seen by the general public and scholars alike as an unwieldy and parochial institution more concerned with immediate constituent-specific issues than the overarching national foreign policy priorities routinely raised by the executive branch.<sup>11</sup>

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<sup>10</sup> In the case of House members, their two-year terms force them to be continuously campaigning for office among their constituents and political backers.

<sup>11</sup> For example, while the executive branch's departments and specialized agencies may in the case of a trade dispute hammer away at a trade partner for non-compliance on an agreement on technical and political fronts, Congress may offer to provide its assistance to the administration either through individual members of Congress writing to the senior leadership of the trade partner expressing their personal discontent with the situation and or through more public congressional practices and procedures that are aimed to shame the offending party on the public record.



James M. Lindsay nonetheless makes a valid argument in *Testing the Parochialism Hypothesis: Congress and the Strategic Defense Initiative* that although conventional wisdom holds that parochialism influences the way members of Congress vote on matters of defense and foreign policy, he finds there is a lack of “systematic supporting evidence” for the parochial hypothesis.<sup>12</sup> Lindsay argues that most studies find that ideology and not constituent economic interests will determine how members of congress will vote on such issues. However, Lindsay does recognize that presidential popularity, or lack thereof, may also impact the way Congress votes.<sup>13</sup>

Alternatively, R. Douglas Arnold, commenting on the work of David Mayhew, believes that the latter has found that members of Congress are “single-minded seekers of reelection.”<sup>14</sup> For Mayhew, congress members’ need to be reelected impacts the way they allocate congressional hearing timing, seek to publicize their position in the media, and even how they organize congressional practices and procedures.<sup>15</sup> Members of Congress recognize that in order to be reelected they need to address constituents’ concerns, while remaining faithful to core ideological beliefs and party constraints. Arnold further elaborates on this point by analyzing the work of Richard Fenno, who points out that

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<sup>12</sup> Lindsay, James M., “Testing the Parochialism Hypothesis: Congress and the Strategic Defense Initiative” in the *Journal of Politics*, (August 1991), Volume Number 53, pgs. 860-61, accessed December 12, 2008, <http://www.jstor.org/stable/2131583>.

<sup>13</sup> *Ibid.*, pg. 861.

<sup>14</sup> See, Arnold, R. Douglas, in David Mayhew’s *Congress: The Electoral Connection*. New Haven, Connecticut: Yale University Press, 2<sup>nd</sup> edition, 2004, pgs. viii-ix.

<sup>15</sup> *Ibid.*, pgs. viii-ix.

congressmen pursue three main goals: 1) reelection; 2) influence within their respective House, and; 3) good public policy.<sup>16</sup>

Mayhew's own writings on the subject support these affirmations. For example, Mayhew states that members of Congress will often seek to address constituents' demands since this will facilitate their own reelection to political office. For Mayhew this assertion is valid for four reasons. First, it fits political reality. Secondly, it emphasizes the importance of the individual politician within the political party apparatus and in dealings with special interest groups. Thirdly, it confirms that members of Congress, much like other human beings, seek to acquire and maintain relationships of power. Finally, he asserts that "the reelection quest establishes a tangible degree of accountability with the electorate" which is the centerpiece if not the hallmark of democracy.<sup>17</sup> One observation which illustrates the complicated nature of congressional foreign policymaking when dealing with Latin American reformists and revolutionaries alike is that the member of Congress often has to balance his constituent (parochial)/ special interest concerns with a broader national policy agenda which also requires negotiated intra- and inter-party consensus.

The requirement to address local concerns within the larger context of national and international policies is ultimately one of the major stumbling blocks for resolving the debate of which branch of the national government has primary responsibility in foreign policymaking. The lack of constitutional clarity regarding which branch of the

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<sup>16</sup> Ibid., pg. ix.

<sup>17</sup> Mayhew, David. *Congress: The Electoral Connection*. New Haven, Connecticut: Yale University Press, 2<sup>nd</sup> edition, 2004, pgs. 6-7.

government has primary responsibility in the foreign policymaking process, coupled with the need to address constituent demands in order to be reelected and a congressman's own ideological position on issues, promotes intra- and inter-party partisan conflict.<sup>18</sup>

## **U.S. Congressional Shortcomings**

Although the U.S. Congress is often referred to in the singular, the Framers established the legislative branch as a bicameral body consisting of both a House of Representatives and a Senate House. Congress is not a monolithic entity. Besides being institutionally divided into two houses, Congress is further divided along party and even often along (unofficial) regional lines. Both Houses of Congress are also known at times to be fractured along issue-specific lines which may see members of opposing parties voting together. These sorts of divisions undermine intra-party cohesion when voting on controversial foreign policies, including occasions when a controversial policy vote may impact the individual congressman's own reelection possibilities.

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<sup>18</sup> When dealing with authoritarian regimes, no Congressman likes to be accused of being "soft" either by members of the opposing party or especially not by members of his own party. If a party's leadership determines that a Congressman is deviating from the party norm, it is likely that in the party primaries the same will back a challenger more in tune with the party's political agenda than the incumbent. An example of this is the case of the Democratic Party's lukewarm support for incumbent U.S. Senator Joseph I. Lieberman (D-Connecticut, 1988-2006, Independent Democrat-Connecticut, 2006-present) for his support of the Bush administration's Iraq and anti-terror policies. Although Lieberman was officially endorsed by the Connecticut Democrat Convention in May 2006, 33 percent of delegates went on to vote for the anti-war challenger Ned Lamont and thereby forcing an August 2006 primary run off which Lieberman subsequently lost. Lieberman was then determined to run as an independent and was called upon by Democratic Party heavyweights Senator Hillary Rodman-Clinton (D-New York, 2001-09) and Howard Dean to reconsider his candidacy. See, Fouhy, Beth, "Clinton Reiterates Pledge to Support Lamont," in *The Washington Post*, Thursday, August 10, 2006, accessed December 12, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2006/08/10/AR2006081001659.html> and Nagourney, Adam, "Democrats Rally Behind Lamont Isolating Lieberman," in *The New York Times*, Wednesday, August 9, 2006, accessed December 12, 2008, [http://www.nytimes.com/2006/08/09/washington/09cnd-senate.html?\\_r=2&hp&ex=1155182400&en=386129a0dcd5f147&ei=5094&partner=homepage&oref=logi](http://www.nytimes.com/2006/08/09/washington/09cnd-senate.html?_r=2&hp&ex=1155182400&en=386129a0dcd5f147&ei=5094&partner=homepage&oref=logi)n.

The lack of congressional unity frustrates the American electorate, explaining in part the Congress's low marks in Gallup public opinion polls.<sup>19</sup> Even when one of the two parties gains control of both houses, which occurred with the Democratic-controlled 110<sup>th</sup> Congress elected in the wake of frustration with the Bush administration's Iraqi War policies, major changes in policy or even limited bipartisanship has been difficult to produce.

In summary, major shifts in foreign policymaking stemming from congressional legislation are difficult to force because of the possibility of presidential vetoes, intra-party disagreements, and in the case of the 110<sup>th</sup> Congress the inability of Democrats to attract moderate Republicans' support for policy proposals.<sup>20</sup> Low congressional approval ratings combined with the need for the individual members of Congress to remain reelection-worthy does not facilitate unity. Congressional disunity, as it relates to U.S. foreign policymaking, has been compounded by the mid-1970s' democratization of power within Congress and the subsequent decentralization of authority on Capitol Hill.

Since the 1970s Congress has traversed phases of decentralization and recentralization of authority. The fragmentation of authority brought about by the 1970s' institutional changes allows the rank-and-file membership greater leeway to impact foreign policy by reducing the power of the committee and subcommittee chairs.<sup>21</sup> At the

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<sup>19</sup> Jones, Jeffrey M. "Congress Approval rating Matches Historical Low" in Gallup News Service (August 21, 2007) accessed February 2, 2008, <http://www.gallup.com/poll/28456/Congress-Approval-Rating-Matches-Historical-Low.aspx>.

<sup>20</sup> Ibid.

<sup>21</sup> Zelizar, Julian E. *On Capitol Hill: The Struggle to Reform Congress and its Consequences, 1948/ 2000*. New York, NY: Cambridge University Press, 2004, pg. 233.

same time, and especially after 1984 according to Julian E. Zelizar in *On Capitol Hill: The Struggle to Reform Congress and its Consequences, 1948/2000* partisanship has increased as evidenced by the number of roll-call votes taking place along party lines.<sup>22</sup>

Since the mid-1980s, congressional polarization has been driven by a spike in the concentration of personal power among influential members of Congress such as Trent Lott (R-Mississippi, 1973-89), Newt Gingrich (R-Georgia, 1979-99), and Tom DeLay (R-Texas, 1985-2006).<sup>23</sup> Zelizar finds that the concentration of power among congressional notables is the result of their ability to construct majority caucuses and enforce party unity and discipline on key political issues.<sup>24</sup>

While congressional power prior to the 1970s was concentrated in a handful of powerful committee chairs chosen by seniority, committee chair authority has now become rarefied. Even though the dispersion of power today allows greater opportunities for individual legislators to impact the U.S. foreign policymaking process, it has in certain cases adversely affected the ability to forge majorities necessary to pass legislation.<sup>25</sup> Forging majorities is difficult when proposed modifications to congressional practices and procedures or legislation are not backed by key members of Congress.

Inter-party negotiated compromise has suffered as a result of what Zelizar regards as the decline of the American center and the loss of congressional moderates. The decline of the American center is the result of the 1980s economic recession and

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<sup>22</sup> Ibid., pgs. 233-234.

<sup>23</sup> Ibid., pg. 233

<sup>24</sup> Ibid., pg. 233.

<sup>25</sup> Snow and Brown (2000), pg. 163.

subsequent redistricting measures.<sup>26</sup> Economic recession claimed moderate Republican seats, with incumbents replaced outright by Democrats or more partisan Republican challengers. Redistricting (verging on gerrymandering) has been carried out following the Supreme Court's ruling in *Vieth v. Jubelirer* (2004) to entrench elected officials' rights to choose constituents, a ruling that ensures that district lines are redrawn along party lines guarantying incumbents' reelection chances.<sup>27</sup>

### **U.S. Congressional Foreign Policymaking Tools**

Congress's foreign policymaking tools are: (1) simple resolutions, which are statements made by one of the Houses of Congress; (2) concurrent resolutions, which are statements passed by both Houses of Congress; (3) joint resolutions, which are statements made by both Houses of Congress and signed by the President, and; (4) legislative bills.

While the first three types of congressional statements or resolutions do not carry the force of the law and are just statements of opinion by Congress, a legislative bill is law. For a legislative bill to be enacted, it must be passed by both Houses of Congress and signed by the President and or be able to override a presidential veto.<sup>28</sup> Even though the first three types of resolutions lack legislative impact, their promulgation and or even the possibility of Congress passing them carries international ramifications that may diverge with the policies of the President.

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<sup>26</sup> Zelizar, pg. 235.

<sup>27</sup> The Rehnquist court in a plurality decision found that political gerrymandering is not unconstitutional. See, *Vieth v. Jubelirer*, 541 U.S. 267 (2004).

<sup>28</sup> Hastedt, pg. 202.

The institutional debate on the question of U.S. foreign policymaking primacy is complicated by the Framers' assignment of the role of chief executive to the President (Article II) while assigning the U.S. Congress as the first branch of government (Article I) the responsibility for deciding what laws are to be enforced and or funded. This situation raised by Articles I and II impacts not only how U.S. military force is exerted overseas (e.g., in Iraq or Afghanistan) or the designation of terrorists and other persons of interests (i.e., Manuel Noriega, military dictator of Panama 1983-89) to the United States government, but also how funding is allocated as result of negotiations, or imposed or withheld as a consequence of party discipline.<sup>29</sup>

As a result, one of the principal means by which Congress, and especially the Senate, influences the U.S. foreign policymaking process is through the role played by the Senate Appropriations Committee and in particular the subcommittee for State, Foreign Operations, and Related Programs. The Senate for its part appropriates the funding for foreign policy operations and organizations (i.e., the National Endowment for Democracy) that the White House will utilize to achieve U.S. objectives overseas.<sup>30</sup> The means by which the Senate exerts jurisdiction over matters of funding is detailed below:

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<sup>29</sup> One of the major foreign policymaking debates raging in Washington toward the end of 2007 was the funding of the Millennium Challenge Corporation (MCC). This Executive branch foreign policy agency was announced by the Bush administration in 2002 and created in 2004 with bi-partisan support during a period in time when the Republican Party controlled both the White House and the U.S. Congress. Today the MCC's continued funding at full levels as requested is being questioned and challenged by the Democratic-controlled Congress. The 110<sup>th</sup> Democratic Party controlled Congress seeks to exert a more activist role in foreign policymaking by demanding greater accountability and verifiable indicators of success of how funds authorized by Congress are used by executive branch agencies.

<sup>30</sup> The International Republican Institute obtains the vast majority of its funding from the National Endowment for Democracy. Created by Congress in 1983, the endowment channels congressional funds to the International Republican Institute and three other institutes: the National Democratic Institute for International Affairs, the American Center for International Labor Solidarity, and the Center for International Private Enterprise. These organizations provide technical assistance to political bodies worldwide and are widely perceived as American foreign policymaking tools.

“(1) Appropriation of the revenue for the support of the Government, except as provided in Senate Rule XXV (e). (2) Rescission of appropriations contained in appropriations contained in appropriation acts (see 1 U.S.C. 105). (3) The amount of new spending authority described in sec. 401(c)(2)(A) and (B) of the Congressional budget Act of 1974 which is to be effective for a fiscal year. (4) New spending authority described in sec. 401 (c)(2)(C) of the 1974 Congressional Budget Act provided in Bills and resolutions referred to the committee under sec. 401(b)(2) of that act (but subject to the provisions of sec. 401(b)(3)).”<sup>31</sup>

While the President is constitutionally given command over the armed forces of the United States (Article II, Section 2, Clause 1) and sets the overall course of American foreign policy, Congress is the sole institution entitled to declare war (Article I, Section 8, Clause 11 - War Powers Clause). Further indicative of the convoluted nature of U.S. foreign policymaking is that although the President has the responsibility for negotiating treaties (Article II, Section 2, Clause 2), Congress (in particular two-thirds of the Senate) is required to provide its advice and consent on all treaties negotiated by the executive branch. As a result, Articles I and II lead to a situation of executive-legislative overlap of responsibilities in foreign policymaking (Table 4).

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<sup>31</sup> See, Clafin, Ericka, editor, *Congressional Yellow Book: A Leadership Directory*. New York, NY: Leadership Directories, Inc., (Summer), Volume 33, Number 2, 2007.



**Table 4 - Constitutional Overlap of Executive and Legislative Foreign Policymaking Powers**

<b>Powers</b>	<b>The President</b>	<b>The U.S. Congress</b>
<b>War making powers</b>	“Commander-in-Chief of the Army and the Navy of the United States” (Article II, Section 2, Clause 1)	“To provide for the Common Defense;” the power “to declare war;” “to raise and support armies” (Article I, Section 8, Clause 1) (Article I, Section 8, Clause 11), and (Article I, Section 8, Clause 12 )
<b>Commitment making powers</b>	“He shall have Power . . . to make Treaties” (Article II, Section 2, Clause 2.1)	“provided two-thirds of the Senators present concur” (Article II, Section 2, Clause 2.1)
<b>Appointments</b>	“He shall nominate . . . and shall appoint Ambassadors” (Article II, Section 2, Clause 2.2)	“by and with the advice and Consent of the Senate” (Article II, Section 2, Clause 2.2)

Source: Compiled from McCormick, 1998, pg. 279.

### Foreign Policymaking Overlap

In *Congress’s New Role: Undermining U.S. Foreign Policy*, Victor David Hanson suggests that while in the past the American electorate, and thus by extension its congressional representatives, has usually been content with allowing the President and the Secretary of State to speak for the United States, more recently “hundreds in Congress have decided that they are better suited to handle international affairs than the State Department.”<sup>32</sup> Hanson in referencing House Speaker Nancy Pelosi’s (D-California, 1987-present) 2007 Damascus meeting with Syrian President Bashar Assad makes the

<sup>32</sup> Hanson, Victor David in “Congress’s New Role: Undermining U.S. Foreign Policy” in *Real Clear Politics*, (October 18, 2007), accessed December 12, 2008, [http://www.realclearpolitics.com/articles/2007/10/congresss\\_new\\_role\\_undermining.html](http://www.realclearpolitics.com/articles/2007/10/congresss_new_role_undermining.html).

point that such congressional travel undermines U.S. foreign policy and endangers American interests and U.S. allies (i.e., Israel).<sup>33</sup>

Hanson argues that members of Congress undertake international travel mainly to gain either media exposure for their own attempts at building up foreign affairs credentials for potential bids for the presidency and or in order to attract campaign funds to ensure their re-elections.<sup>34</sup> Hanson is a strong defender of the position that the executive branch is primarily responsible for determining and carrying out foreign policies with Congress being relegated to having the responsibility for merely overseeing the President's policies and acquiescing by granting or withholding funds.

Others, such as James M. Scott and Ralph G. Carter in *Choosing the Road Less Traveled: A Theory of Congressional Foreign Policy Entrepreneurship*, argue a different position more in tune with the lack of clarity about which branch of government has the primary responsibility in the U.S. foreign policymaking process. Scott and Carter recognize that there is foreign policymaking overlap in their comments pertaining to how and why the congressional role in U.S. foreign policymaking has increased in recent years. Scott and Carter make the case that the congressional role in U.S. foreign policymaking has increased as a result "of a number of changes in the political system outside of Congress involving party organization, voter attitudes and the role of the media."<sup>35</sup> Scott and Carter believe that these changes undermine the position of scholars

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<sup>33</sup> Here Hanson is referring to the possibility of granting the Assad regime expanded legitimacy through political engagement that downgrades its status as a state sponsor of terrorism and therefore endangers the U.S. regional ally, the State of Israel. Ibid.

<sup>34</sup> Ibid.

that hold that the congressional role has a limited, almost compartmentalized impact, and is responsible for motivating, albeit a small number, members of Congress to freelance in international affairs on the behalf of Congress and the United States.<sup>36</sup>

Hanson finds such “entrepreneurial action” in the best of cases to represent only a foil with which U.S. diplomats can badger recalcitrant negotiating partners and or diplomatic foes into compliance with U.S. objectives – negotiate with us now under known terms and conditions or risk a volatile Congress getting involved – and in the worst of cases represents folly that endangers U.S. interests and allies.<sup>37</sup> Scott and Carter on the other hand find that “congressional entrepreneurship” in foreign policymaking not only leads to the repudiation of existing (domestically unpopular/ failed) policies, but to the innovation of new policies that result in fundamental foreign policy changes that go against what has been done or not done in the past (e.g., military withdrawal from the Viet Nam conflict or end of support for the Nicaraguan Contra-Revolutionary Forces).<sup>38</sup>

Hanson points out that U.S. foreign policymaking responsibility overlap is susceptible to congressional representatives’ need to remain accountable to constituent interests and thus remain viable for reelection. Constituent interests in this regard, local in outlook, as well as special interests advocated by lobbyists, may conflict with the broader foreign policy course of the executive branch as indicated previously in the case of the

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<sup>35</sup> Scott, James M., and Ralph G. Carter. *Choosing the Road Less Traveled: A Theory of Congressional Foreign Policy Entrepreneurship*. Paper prepared for presentation at the Annual Meeting of the International Studies Association, San Diego, California, March 21-25, 2006. Accessed, December 12, 2008, pgs. 2-3, [http://www.allacademic.com/meta/p99437\\_index.html](http://www.allacademic.com/meta/p99437_index.html).

<sup>36</sup> Ibid., pg. 3.

<sup>37</sup> Hanson, 2007.

<sup>38</sup> Scott and Carter, pgs. 3 and 5.

NAFTA Mexican trucking issue or the more recent uproar over the House of Representative's Armenian Genocide Resolution (2007) and its impact on U.S.-Turkish relations.<sup>39</sup> Table 4 helps illustrate the overlap of the executive and legislative branches' foreign policymaking powers.

With regards to the Senate and treaties, James A. Nathan and James K. Oliver claim that while the Senate has seldom rejected or refused to act on treaties negotiated by the executive branch, or even sought to modify or amend these treaties (i.e., the Panama Canal Treaty), its failure at times to bind the United States' participation in certain treaties (i.e., the League of Nations –1919) has fueled presidential disdain of senatorial participation in treaty negotiation.<sup>40</sup>

The executive branch's push back on the Senate's involvement in international agreements has led to the increased employment of executive agreements to circumvent the Senate. Arthur Schlesinger, Jr., in *The Imperial President* cites executive agreements

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<sup>39</sup> Both the Bush administration and the Turkish government's representative, Ambassador Nabi Sensoy, were critical of the House of Representative's bipartisan 27 to 21 vote. Sensoy stated: "It is an irresponsible act for a committee of the House of Representatives to pass, in this manner and at an extremely critical time, a draft that will not only endanger the relations with a friendly and allied nation but also jeopardize a strategic partnership that has been cultivated for generations," the Turkish statement said. "We still hope that common sense will prevail and that the House of Representatives will not move this resolution any further." Prior to the vote the Bush administration argued that the resolution's passage would have serious deleterious consequences on U.S. foreign policy, stating that "its passage would do great harm to our relations with a key ally in NATO and the global war on terror." However, Speaker Pelosi's spokesman Nadeam Elshami commented that the committee vote "demonstrated bi-partisan support for a resolution which is consistent with long-held concerns of the people of the United States about the suffering of the Armenian people." See, Neuman, Johanna, "House panel passes Armenian genocide bill," in *The Los Angeles Times*, (October 11, 2007), pg. A-1, accessed December 2008, <http://articles.latimes.com/2007/oct/11/nation/na-genocide11>.

<sup>40</sup> The U.S. Senate neither ratified the charter of the League of Nations, nor acquiesced to the United States joining the League despite President Woodrow Wilson's efforts. See, Nathan, James A., and James K. Oliver. *Foreign Policy Making and the American Political System*. Boston, MA: Little, Brown, and Company. 2<sup>nd</sup> edition, 1987, pgs. 128-129.

as practical means for making international agreements.<sup>41</sup> Not surprisingly, Nathan and Oliver found that more than 95 percent of all formal agreements negotiated between the United States and foreign governments during the 1945 to 1970 Cold War period, were concluded via executive agreements.<sup>42</sup> The recourse of using executive agreements is indicative of the perceived need identified by U.S. foreign policymakers, especially within the executive branch, of having the United States speak with a single voice on the world stage in times of great uncertainty and likelihood of conflict.

Foreign policymaking overlap has become an area that Supreme Court (Associate) Justice Robert Jackson (1941-54) described as being a “zone of twilight in which the President and the Congress may have concurrent authority, or in which its distribution is uncertain.”<sup>43</sup> Overlap of responsibilities and constitutional ambiguity drives the executive and legislative branches of the federal government to claim the right of primacy in the foreign policymaking process.

Kirk A. Randazzo in *Judicial Decision Making in U.S. Foreign Policy Litigation* clarifies that the Supreme Court, as the third branch of the national government, has sought to shed some clarity on the matter.<sup>44</sup> Randazzo argues that while the “political branches of the government directly determine foreign policy outcomes,” the courts’ contribution to the U.S. foreign policymaking process, although often overlooked, is significant since most foreign policy questions entail the courts’ constitutional

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<sup>41</sup> Ibid., pg. 129.

<sup>42</sup> Ibid., pg. 130.

<sup>43</sup> McCromick, 1998, pgs. 278-279.

<sup>44</sup> See, Kirk A. Randazzo, “Judicial Decision Making in U.S. Foreign Policy Litigation,” Paper prepared for presentation at the annual meeting of the Southern Political Science Association, January 8-11, 2004, New Orleans, LA, pg. 3, accessed December 12, 2008, [http://www.allacademic.com/meta/p67780\\_index.html](http://www.allacademic.com/meta/p67780_index.html).

interpretation of the extent of the role assigned to executive and legislative branches.<sup>45</sup>

For Randazzo the importance of the courts as arbitrators in the executive-legislative dispute for the privilege of primacy in the foreign policymaking process resides in the courts' authority of constitutional interpretation, a function which defines the parameters and boundaries within which the other two branches of the government must operate.<sup>46</sup>

Lisa Miller's findings in *Too Little Too Late: The Supreme Court as a Check on Executive Power* denote the importance of the courts' determinations of the parameters and boundaries within which the other two branches of the government operate. Miller finds that the Supreme Court has acknowledged that the executive branch's power is at its lowest ebb whenever it seeks to exert power contrary to the congressional intent in situations where it lacks constitutional authorization.<sup>47</sup> However, Miller also clarifies that since the end of World War II Congress has been often been a willing accomplice in granting the executive branch extended powers to ensure national security in times of uncertainty.<sup>48</sup>

The Supreme Court's reasoning is clearest in its decision in *United States v. Curtiss-Wright Corporation* (1936) where it ruled the President's authority is broader in matters of foreign policy than in domestic ones.<sup>49</sup> Alternatively, Raoul Berger, as a proponent of diminishing executive privileges and prerogatives, argues that not only does

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<sup>45</sup> Ibid., pg. 3.

<sup>46</sup> Ibid. pg. 3.

<sup>47</sup> Miller, Lisa. "Too Little Too Late: The Supreme Court as a Check on Executive Power" in *Foreign Policy Focus* (February 17, 2006), accessed December 9, 2007, <http://www.fpif.org/fpiftxt/3117>.

<sup>48</sup> Ibid.

<sup>49</sup> Ibid.

the U.S. Constitution (1787) make no reference to executive agreements as being an inherent power of the executive branch, but also that the court's own reasoning in *United States v. Curtiss-Wright Corporation* remains "extremely specious."<sup>50</sup>

Since the Viet Nam War era there has been substantial debate generated among both scholars and U.S. foreign policymakers concerning which branch of the government has the primary responsibility for American foreign policymaking. The debate is a result of constitutional ambiguity as highlighted in Table 4, as well as congressional attempts to reign in the presidency whenever it is seen by Congress and the American electorate as having overstepped its constitutionally mandated authority.

The foregoing coincides with the opinion of congressional staffers, such as Tim Reif with Representative Charles Rangel's (D-New York, 1971-present) office in the House Ways and Means Committee (during the 109<sup>th</sup> Congress, 2005-06), who concurs with the notion that there is a significant role for the legislative branch to play in the American foreign policymaking process.<sup>51</sup> Specifically Reif argues that it is up to Congress to provide guidance to the executive branch in foreign policymaking. Congressional advice to the President can be in areas as diverse as tariff reductions and trade negotiations where Congress can advise what tariffs can be cut and what limits may be imposed on a trading partner.<sup>52</sup> Reif's reasoning is based on the U.S. Congress's

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<sup>50</sup> Nathan and Oliver, 1987, pg. 130.

<sup>51</sup> Reif, Tim. "The Congressional Agenda, United States Trade Policy, and Interaction between the Executive and Legislative Branches." Briefing given at the Foreign Service Institute – U.S. Department of State on June 30, 2006.

<sup>52</sup> Ibid.

constitutional powers arising from the right to raise revenues (Commerce Clause) and its own foreign relations powers (Commitment Making Powers).

Congress asserting itself when presidential leadership is questioned is illustrated by the executive-legislative dispute that has arisen as a result of the White House's overreach during the Viet Nam War (1960-73), providing an example of how U.S. foreign policymaking can become convoluted. Note that the term "war" in this case is actually a misnomer as American military involvement was never the result of an actual declaration of war as per Article I, Section 8, Clause 11, and is in actuality a case of presidential discretion facilitated by congressional supportive resolutions.<sup>53</sup> American involvement in South East Asia relates to Miller's earlier point about Congress delegating authority to the executive branch in light of national security concerns.

The Viet Nam conflict, often categorized as a "police action," is the result of U.S. foreign policymakers, in particular President Kennedy's (D, 1961-63), determination to prevent a communist victory in Viet Nam. The Kennedy administration was convinced that such a victory would fatally damage U.S. credibility with America's allies and the result of a communist victory in Southeast Asia would only further embolden communist (Soviet) adversaries. In this case, Kennedy's determination to "draw a line in the sand" and prevent a Cold War communist victory in Viet Nam commits his administration and the succeeding Lyndon B. Johnson (D, 1963-69) and Richard M. Nixon (R, 1969-74)

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<sup>53</sup> Note that the study anchors the Viet Nam War between the years 1960 and 1973 based on President Kennedy's "Americanization" of the conflict and the cessation of direct, large-scale American military in 1973 with the Paris Peace Accords. Alternatively, this conflict can be dated commencing in January 1959, when the North Viet Nam Communist Party's Central Committee issued a secret resolution authorizing an armed struggle against the South Vietnamese regime of Ngo Dinh Diem (1955-63) and ending on April 30, 1975, with the North Vietnamese military victory over the Republic of Viet Nam (South) and the final withdrawal of all U.S. military personnel.



administrations to a foreign policy of making American (political-military) power credible.

Blasier's theoretical premises, applied to the foregoing situation, highlight that during the Kennedy administration the U.S. government sought to repress the North Vietnamese government. The administration structured its policies along the lines of *Propositions 3, 5, 6, 11, 12, 15, and 16* once the Hanoi regime was determined to have ties to an anti-American, "Great Power" rival (Soviet Union) of the United States.

The perceived need to make American power credible both domestically and internationally among friend and foe alike (*Proposition 16*) becomes associated with an excessive and dangerous growth in the foreign policymaking powers of the President in later years. As a result of the White House's heavy involvement (*Proposition 6 and 12*) in the conduct of the Viet Nam War, Congress, itself driven by the need to remain accountable to its constituent base, has grown to distrust and often question the executive branch's foreign commitment-making decisions. Since the Viet Nam War era, Congress's distrust of the White House spikes whenever the two major parties share control of the government, a factor that, combined with constitutional ambiguity on U.S. foreign policymaking primacy, results in heightened inter-branch tensions.

## **CONGRESS IN ACTION: U.S. CONGRESSIONAL FOREIGN POLICYMAKING**

### **Placing Limits on the Executive Branch**

The literature widely finds that the U.S. Constitution significantly empowers Congress to wield its authority in the foreign policymaking process. However, as many have noted, U.S. congressional activism has nonetheless historically oscillated.

According to Donald Snow and Eugene Brown, Congress has repeatedly deferred to the executive branch in foreign policymaking matters throughout much of the period between 1930 and 1970.<sup>54</sup>

The foregoing period encompasses not only the Great Depression (1929-39) and its economic effect on countries such as Germany, that influenced the political fortunes of German National Socialism (1920-45) and the outbreak of World War II (1939-45), but also the subsequent Cold War (1947-90) waged between the United States and the Soviet Union over expansionist and interventionist communism. Congress and its leadership was convinced to defer to the President on matters of foreign policymaking by events such as these, which were identified as posing a significant threat to the continued existence of the United States. Congress accepted the notion that such action, especially in times of great necessity, allowed the United States to speak with a single, unified voice.

As a result of congressional deference in U.S. foreign policymaking, both Franklin D. Roosevelt (D, 1933-45) and Harry S. Truman (D, 1945-53) were not only left largely unhindered to conduct the United State's foreign policy during the Second World War, but were also allowed to construct the post-war institutions meant to impede a recurrence of the factors that had led to the 1939-45 worldwide conflict. The international relations literature widely cites the case of the United Nations (UN) as being one of the most poignant examples of how the U.S. Congress left the executive branch largely to its own devices to craft major pieces of modern American foreign policy.

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<sup>54</sup> Snow, Donald M., and Eugene Brown. *Beyond the Water's Edge*. New York, NY: St. Martin's Press, 1997, pg., 162.

Congress, notwithstanding its Cold War era deference to the White House on foreign policymaking matters, has since the Watergate scandal (1972-74) and President Nixon's ensuing resignation (August 9, 1974) strongly asserted its own foreign policymaking capabilities. Congressional capability to guide American foreign policymaking, as well as the means by which it can constrain the President whenever it so chooses, can be enumerated as follows: (1) its commitment-making reporting requirements; (2) its attempts to limit presidential war making power; (3) its ability to restrict foreign policy funding; and (4) its desire to exert congressional oversight.

With regard to commitment-making reporting requirements, through the mid-1960s Congress was largely content to follow the foreign policy lead of the executive branch. Snow and Brown argue that congressional deference to the presidency during the Cold War was the result of the belief that the United States could ill afford to appear to a menacing Soviet Union as being either divided or irresolute.<sup>55</sup> Confronted by this sort of overarching existential threat, congressional leaders such as Senator J. William Fulbright (D-Arkansas, 1945-74) agonized in 1961 whether the time had come for Congress to formally surrender the power necessary to conduct world affairs to the President and largely unimpeded by Congress and its often parochial outlook.

Notwithstanding Fulbright's earlier deliberation on whether to allow the President greater leeway in U.S. foreign policymaking, he and others in Congress changed tack by the late 1960s. Fulbright, by this point, identified growing presidential foreign policymaking power within the sphere of commitment-making as a threat to the

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<sup>55</sup> Ibid, pg. 162.

Legislative branch's own privileges.<sup>56</sup> Reacting to growing presidential foreign commitment-making, Congress seeing itself as a co-equal branch of government by the late 1960s required the President to report to Congress on all foreign policy commitments made by the executive branch. Fulbright's National Commitments Resolution, passed by a "Sense of the Senate" on June 26, 1969, is the first successful congressional attempt to curb presidential foreign policymaking power.<sup>57</sup>

Graph 2 highlights Congress's, specifically the House of Representatives's, intent to exert an active role in U.S. foreign policymaking. The House's impact on foreign policymaking is evidenced by the number of committee and subcommittee hearings held by the House International Relations Committee throughout the 1947 to 2008 period.

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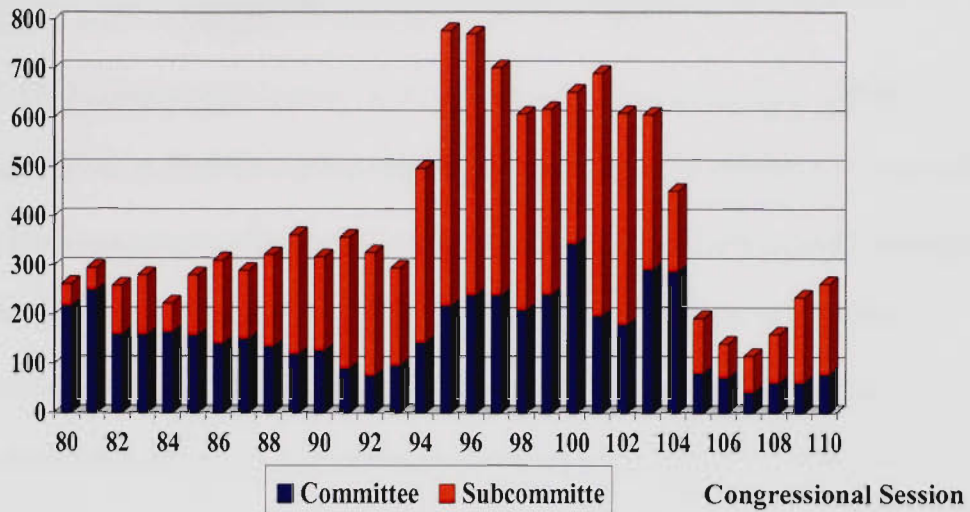
<sup>56</sup> Ibid. pg. 162.

<sup>57</sup> While Senator William Fulbright (D–Arkansas, 1945-74) is credited with successfully having the Senate pass the National Commitments Resolution by a margin of 70 to 16 votes in June of 1969, this was not the first congressional attempt to curb presidential foreign policymaking power. Rather it was Senator John Bricker (R–Ohio, 1947-59) who proposed in the early 1950s that any treaty or executive agreement that infringed upon American's constitutional rights should be considered as being unconstitutional. As such, Congress has the obligation to enact legislation to put into effect any treaty or executive agreement proposed by the President.

Bricker was concerned that international treaties or agreements negotiated by the President, such as the United Nations Treaty, could commit the United States to domestic actions that could undermine either congressional oversight and or constitutionally assured state prerogatives. The Bricker Amendment came closest to passing in 1954, when it fell short by one vote of the required two-thirds majority necessary to pass a constitutional amendment in the Senate.

## Graph 2 - Committee and Subcommittee Hearings of the House International Relations Committee, 80th- 110th Congresses (1947-2008)

### Hearings



Note: Data for the 110<sup>th</sup> Congress encompasses hearings through both Congressional Sessions. For a list of all congressional sessions by year see Appendix 1.

Source: Compiled from McCormick, 1993, pg. 353, Committee on International Relations, "Hearing Index Page," (accessed November 10, 2007), <http://commdocs.house.gov/committees/intlrel/index.htm>, GPO Access, "House Committee on Foreign Affairs: Hearings – 106<sup>th</sup> Congress Page," (accessed January 6, 2008), <http://www.gpoaccess.gov/congress/house/intrelations/106ch.html>, Compilation of the 105<sup>th</sup> (First Session) Congress Survey of Activities (accessed January 6, 2008) <http://www.foreignaffairs.house.gov/archives/106/survey/surveya.htm>, Compilation of the 105<sup>th</sup> (Second Session) Congress Survey of Activities (accessed, January 6, 2008), <http://www.foreignaffairs.house.gov/archives/106/survey/2survey.htm>, and the U.S. House of Representatives House Committee on Foreign Affairs – Testimony and Transcripts 110<sup>th</sup> Congress (accessed, December 12, 2008), <http://www.foreignaffairs.house.gov/testimony.asp?pg=1>.

Building upon the National Commitments Resolution (1969), the Case-Zablocki Act of 1972 passed during the 92<sup>nd</sup> Congress (1971-72) marks a significant milestone in executive-legislative relations in the foreign policymaking arena. The significance of this law is that for the first time legislation is enacted that obligates the President to report all international agreements to Congress within sixty days.

Not content with the reach of the Case-Zablocki Act, the 95<sup>th</sup> Congress (1977-78) proceeded to further strengthen the act in 1977. The 1977 revision of the Case-Zablocki Act requires all executive branch agencies to report all agency-specific negotiated agreements to the U.S. Department of State within a period of twenty days. In turn, the Department of State is obligated to transmit these agreements to Congress.

Graph 2 illustrates the impact of the foregoing legislation by highlighting the spike in committee and subcommittee hearings of the House Committee on International Relations that commences with the 94<sup>th</sup> Congress (1975-76) and substantially taking off with the 95<sup>th</sup> Congress. Consequently, the Case-Zablocki Act serves as a tangible example of how Congress has sought to affirm an activist (some would even argue at times an obstructionist) role in U.S. foreign policymaking. Similarly, congressional enforcement of the requirements of the Case-Zablocki Act also serves as an indicator of increased congressional proclivities for entrusting foreign policymaking to the executive branch whenever the White House and the Congress are controlled by the same party.

Although the Case-Zablocki Act has been strengthened through the Foreign Relations Authorization Act of 1979, Congress has nonetheless remained focused with executive branch reporting throughout the 1980s and 1990s. Congress has been especially concerned with both late reporting by the executive branch and the often incomplete nature of the reporting being transmitted. Reporting deficiencies have led Congress to accuse the White House of undermining information sharing. Not surprisingly, whenever information is not transmitted in a timely manner, and the minority party raises its

objections, the administration will accuse it of playing partisan politics and of obstructionism.<sup>58</sup>

An alternative means by which the U.S. Congress has sought to assert its own foreign policymaking capabilities has been by attempting to limit presidential war-making power. Throughout the 1970s and into the present era Congress has grown weary of the President's recourse to the position of Commander-in-Chief and the executive clauses found within the U.S. Constitution as the constitutional instruments that authorize presidential foreign intervention.

The 1970 repeal of the Gulf of Tonkin resolution (1964) was an early measure adopted by Congress to curtail non-sanctioned presidential military adventurism abroad. What is relevant about the congressional repeal of the Gulf of Tonkin resolution is that the same had until then allowed the President, according to McCormick a "virtual free hand for conducting the Viet Nam War" (*Proposition 6*).<sup>59</sup>

Yet interestingly enough, much as has been the case whenever matters of national security gain preponderance in U.S. politics, the Gulf of Tonkin resolution was itself adopted by a margin of 416 to 0 in the House and by 89 to 2 in the Senate.<sup>60</sup> Most proponents of presidential supremacy in foreign policymaking point to such wide

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<sup>58</sup> Reif in this sense makes an interesting argument by indicating that the Bush administration has been prone to accusing Democrats in Congress as being protectionists whenever these raise concerns about the administration's lack of strong adherence to requiring Free Trade Agreement (FTA) partners to respect basic international labor standards. The Bush administration in this sense has been willing to forgo pressuring trade partners and holding its allies accountable for weak adherence to such issues as no child labor, collective bargaining, no forced labor, and freedom of association if these should conflict with the administration's interpretation of national security concerns. See, Reif, 2006.

<sup>59</sup> McCormick, 1993, pg. 326.

<sup>60</sup> A similar situation has occurred with post-September 11 cases of the USA Patriot Act (October 26, 2001) and the Iraq War Resolution or the Authorization for Use of Military Force against Iraq Resolution of 2002.

margins as definitive proof of congressional willingness to put aside possible constitutional prerogatives once it recognizes that it cannot deal with international situations requiring speed of decision making, discretion, and the marshaling of significant resources and expertise.

Thus during the Cold War, fears of the Soviet Union and expansionist communism in the 1960s overwhelmingly accorded the Johnson administration the ability to deploy military forces abroad without the need to obtain a formal declaration of war from Congress. However, by 1973 Congress had grown troubled by the White House's reliance on the executive's war-making power as justification for the conduct of the Viet Nam conflict. Congress as a result passed the War Powers Act which has since then required the President to obtain Congress's consent for any long-term commitment of U.S. military forces abroad.<sup>61</sup>

Today the Democratic-controlled 110<sup>th</sup> Congress's desire to exert increased congressional oversight is evidenced in Figure 3. The figure also shows that the administration of George W. Bush benefited from friendly Republican dominance of the House. House committee and subcommittee meetings dominated by the Republicans have blocked their Democrat members' own attempts to hold hearings on issues that could otherwise conflict with White House objectives.<sup>62</sup> Majority tyranny has been highlighted by the Democrats who argued that as a consequence of a Republican-

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<sup>61</sup> The resolution forces the President to notify Congress with 48 hours of committing U.S. forces abroad and forbids U.S. forces from remaining over 90 days without a congressional authorization of the use of military force or a declaration of war by Congress. Also see, Wiarda, 2006, pgs. 54 and 85.

<sup>62</sup> It will be interesting to see if this committee will hold more hearings as a consequence of the 2006 mid-term elections which saw the Democrats gain control of both the House and the Senate and ended twelve year of Republican control of the House (1994-2006).



controlled House and Senate after the November 2002 elections, the Bush administration through the 2006 mid-term election has counted on powerful allies in the U.S. Congress that have been willing to abdicate constitutional oversight responsibility. A House Minority investigation has concluded that:

“On issue after issue, the Congress has failed to conduct meaningful investigations of significant allegations of wrongdoing by the Bush Administration. As documented in a companion report, this approach stands in stark contrast to the breadth and intrusiveness of congressional investigations of the Clinton Administration.”<sup>63</sup>

### **The National Endowment for Democracy: A Case of Executive-Legislative Cooperation**

The preceding sections have reviewed the executive-legislative dispute over which branch of the federal government ultimately has the primary responsibility for U.S. foreign policymaking. In the same vein, these sections have also highlighted the principal congressional tools for guiding U.S. foreign policymaking. The present section builds upon the preceding discussion by looking specifically at the impact of congressional appropriation responsibility on U.S. foreign policymaking.

Congress’s role in appropriating funding impacts foreign policy institutions as diverse as the Departments of State, Agriculture, and Commerce among others. The foregoing executive branch institutions are indispensable components of the President’s ability to conduct American foreign policy and the debate over the level of funding is a perennial issue of concern in Washington.

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<sup>63</sup> See, United States House of Representatives Committee on Government Reform – Minority Staff Special Investigation Division. “Congressional oversight of the Bush Administration.” Washington, D.C. (January 17, 2006), Special Report for Representative Henry A. Waxman. Accessed November 12, 2007. <http://oversight.house.gov/documents/20060117103554-62297.pdf>.

Within the U.S. foreign policymaking arena, the National Endowment for Democracy (NED) is a lesser known but still important instrument of American policy. NED's relevance to the present discussion resides in the fact that while it enjoys non-governmental status, its democracy-promoting activities often coincide with those of the U.S. government.

As a quasi-governmental institution, NED is a leading private U.S. organization that promotes democracy and economic freedom throughout the world. Its democracy-promoting activities mirror the cornerstone of post-Cold War U.S. foreign policy.<sup>64</sup> Although NED is not an agency or an official establishment of the United States government, it is accountable to a wide variety of overseers in both the executive and legislative branches of the federal government. Senator Charles H. Percy (R-Illinois, 1967-85) clarified the independent nature of NED when he introduced the original legislation in the Senate and stated:

“The Endowment will come under continuous and extensive scrutiny in the appropriate committees of both Houses of Congress. The additional provisions for GAO (U.S. Government Accountability Office) oversight, as well as the terms of the USIA (U.S. Information Agency) grant agreement under which it will function, assure a convergence of oversight procedures virtually unique among grantees of federal funds.”<sup>65</sup>

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<sup>64</sup> In a series of reports on the U.S. Department and Related Agencies fiscal year allocation, the Congressional Research Service reports that the “National Endowment for Democracy is a private, nonprofit organization established during the Reagan Administration that supports programs to strengthen democratic institutions in more than 90 countries around the world. NED proponents assert that many of its accomplishments are possible because it is not a U.S. government agency. NED's critics claim that it duplicates government democracy promotion programs and could be eliminated, or could be operated entirely through private sector funding.” Congressional Research Service, accessed January 27, 2008, [http://digital.library.unt.edu/govdocs/crs/search/?q=National+Endowment+for+Democracy+funding&t=fulltext&o=&nhi=2005&nlow=1983&system=CRS&start=60&pageSize=10&sort=default&view=.](http://digital.library.unt.edu/govdocs/crs/search/?q=National+Endowment+for+Democracy+funding&t=fulltext&o=&nhi=2005&nlow=1983&system=CRS&start=60&pageSize=10&sort=default&view=)

<sup>65</sup> See, Congressional Record, September 22, 1983, pg. 12,714.

Although NED is often maligned by the American left as a relic of the Cold War era, it nonetheless remains a relevant actor in American foreign policymaking as its activities in countries such as Haiti, Venezuela, and Iraq today attest. Congressional support for NED has not diminished in the post-Cold War period, but rather has grown steadily. Today NED enjoys widespread bi-partisan endorsement on Capitol Hill. Congressional support is best exemplified by the identical Senate and House of Representatives resolutions (Senate Concurrent Resolution 66; House Concurrent Resolution 274) passed in October 2003, which commended the National Endowment for Democracy “for its major contributions to the strengthening of democracy around the world on the occasion of the 20th anniversary” of its establishment, and endeavoring “to continue to support [its] vital work.”<sup>66</sup>

The National Endowment for Democracy’s activities transcend a quarter of a century to a period of time when Congress itself has sought to assert its own foreign policymaking role in the wake of the Watergate scandal. Yet in spite of the contentious relationship between the executive and legislative branches in matters pertaining to U.S. foreign policymaking, the establishment of NED is a result of the cooperation between the White House and Congress.<sup>67</sup> Both branches of the federal government realized in the

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<sup>66</sup> The Senate resolution was passed by unanimous voice vote; the House resolution passed on a roll call vote of 391-1. Both resolutions had strong, bi-partisan co-sponsorship. These strong margins help to illustrate NED’s legitimacy and widespread bi-partisan support of its activities. Bi-partisan co-sponsors in the Senate included: Frist, Daschle, Lugar, Biden, Graham, Bayh, Kyl, Hatch, Leahy, Hagel, Levin, McCain, McConnell, and Sarbanes; while in the House: Hyde, Lantos, Cox, Payne, Berman, Bereuter, Cardin, Chabot, Crowley, Diaz-Balart, Dreier, Engel, Gallegly, (Mark) Green, Houghton, (Patrick) Kennedy, Kingston, Kirk, Lowey, Meeks, Menendez, Napolitano, Pitts, Rohrabacher, Ros-Lehtinen, Royce, (Christopher) Smith, and Ackerman. See, Lowe, David. “Idea to Reality: A Brief History of the National Endowment for Democracy.” Accessed, January 26, 2008, <http://www.ned.org/about/nedhistory.html>.

early 1980s that the time was ripe to decouple American soft side operations (i.e., democracy promotion) from widespread perceptions that these were Central Intelligence Agency (CIA) fronts.

The American Political Foundation, established in Washington in 1980, is the catalyst for NED. President Ronald W. Reagan (R, 1981-89) stated in one of his major foreign policy speeches - delivered to a packed House of Commons in Britain's Westminster Palace - in 1982 that the American Political Foundation would undertake a study to determine how the United States as a nation could best contribute to a global democracy campaign.<sup>68</sup> The U.S. Agency for International Development (USAID) subsequently went on to fund the American Political Foundation's study with a \$300,000 grant (equivalent to \$644,000 in 2007 dollars) which came to be known as the "Democracy Program."<sup>69</sup> Soon afterward the Democracy Program, overseen by an executive board composed of a cross-section of American politicians and influential foreign policymakers outside of the government recommend the creation of the

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<sup>67</sup> The American Political Foundation is premised on the 1978 measure proposed by Congressmen Dante Fascell (D-Florida, 1955-93) and Donald Fraser (D, Minnesota, 1963-79) known as "QUANGO" (quasi-autonomous non-governmental organization). QUANGO's *raison d'être* was the advancement of human rights. The Fascell-Frazer bill, borrowing from Germany's democracy assistance based on the democracy transition foundation model (known as "*Stiftungen*") sought the creation of an Institute for Human Rights and Freedom. This institute would provide technical and financial assistance to non-governmental organizations dedicated to the promotion of human rights overseas. SourceWatch, "American Political Foundation." Accessed, January 26, 2008, [http://www.sourcewatch.org/index.php?title=American\\_Political\\_Foundation](http://www.sourcewatch.org/index.php?title=American_Political_Foundation).

<sup>68</sup> See the address delivered by President Reagan before the British Parliament, London, on June 8, 1982, during his trip to France, the Vatican, Italy, the United Kingdom, and the Federal Republic of Germany (June 2-11, 1982). Ronald W. Reagan. "Promoting Democracy and Peace," (June 8, 1982), United States Department of State Bureau of Public Affairs, Washington, D.C., accessed February 1, 2008, <http://www.ned.org/about/reagan-060882.html>.

<sup>69</sup> See <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, February 1, 2008.

bipartisan, private, non-profit corporation known as the National Endowment for Democracy.<sup>70</sup>

To date NED affirms that it “is guided by the belief that freedom is a universal human aspiration that can be realized through the development of democratic institutions, procedures, and values.”<sup>71</sup> The National Endowment for Democracy is governed by an independent, non-partisan board of directors composed of party activists, representatives of the U.S. labor, business, and education communities, foreign policy specialists, and two members of Congress. Yet unlike most other Washington non-profits, NED is funded by the U.S. national budget. NED utilizes congressionally appropriated funds to make hundreds of grants each year in support of pro-democracy groups around the world. Although NED is a non-governmental organization, the fact that it is funded by Congress requires congressional oversight.<sup>72</sup>

The National Endowment for Democracy, acting as a grant-making foundation, in turn distributes congressionally appropriated funds to private organizations. Nearly half of all funding is allocated to the American Center for International Labor Solidarity (ACILS), the Center for International Private Enterprise (CIPE), the National Democratic Institute for International Affairs (NDI), and the International Republican Institute

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<sup>70</sup> Lowe.

<sup>71</sup> National Endowment for Democracy. Accessed, January 21, 2008, <http://www.ned.org/>.

<sup>72</sup> To avoid accusations that NED is an agency or an establishment of the United States government, its authorizing legislation specifically spells out the Endowment’s non-governmental status. Furthermore, NED board members are not selected by the President and those that do happen to be appointed to serve in the executive branch are required to relinquish their board membership.

(IRI).<sup>73</sup> The remainder of NED grant monies is awarded annually to hundreds of overseas non-governmental organizations (NGO) that apply for support.<sup>74</sup>

While the Endowment's authorizing legislation specifically states that NED enjoys non-governmental status, its detractors argue that this lack of official status allow it to operate with little accountability. Barbara Conry of the CATO Institute believes that NED is a "foreign policy loose cannon."<sup>75</sup> For Conry, NED not only lacks accountability but also it no longer serves American interests since the end of the Cold War. The National Endowment for Democracy is often perceived, if not criticized, as serving special interests groups (e.g., the Republican and Democratic Parties, organized labor, and the U.S. Chamber of Commerce) given that these control most of its funds.<sup>76</sup> Conry goes on to argue that the end of the threat and ideological challenge posed by the collapse of the Soviet Union in 1991 has allowed democracy to spread largely unencumbered. As a result, democracy has readily spread on its own in the post-Cold War period, making the NED superfluous, according to Conry.

Others, such as Congressman and 2008 Presidential Candidate Ron Paul (R-Texas, 1997-present) view NED as a facilitator of special interest-driven American foreign policy objectives. Congressman Paul argues that NED's "meddling" in the

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<sup>73</sup> Note that these NED core institutes are private organizations created by the two main U.S. political parties and the business community and are joined by regional international institutes of the labor movement.

<sup>74</sup> See the National Endowment for Democracy – Grants Program, accessed February 1, 2008, <http://www.ned.org/grants/grants.html>.

<sup>75</sup> Conry, Barbara. "Loose Cannon: The National Endowment for Democracy." CATO Policy Briefing Number 27 (November 8, 1993) Accessed, January 21, 2008, <http://www.cato.org/pubs/fpbriefs/fpb-027.html>.

<sup>76</sup> Ibid.

internal affairs of foreign countries does more harm to the United States than good since it engenders ill-will toward America by millions overseas.<sup>77</sup> Paul states that:

“ . . . In the final analysis, the endowment embodies the most negative aspects of both private aid and official foreign aid—the pitfalls of decentralized 'loose cannon' foreign policy efforts combined with the impression that the United States is trying to 'run the show' around the world.”<sup>78</sup>

For NED detractors, the Endowment’s activities include the harassment of foreign governments, even those democratically elected, if the latter’s policies conflict with those of the United States and its special interest groups. The National Endowment for Democracy not only accused of financial mismanagement, but more poignantly of interfering in foreign elections and facilitating the corruption of democratic movements.<sup>79</sup>

### **Funding of the National Endowment for Democracy**

Originally the House Foreign Affairs Committee included a two-year authorization for the Endowment at an annual level of \$31.3 million (equivalent to \$60.3 million in 2007 dollars) as part of the Fiscal Year (FY) 1984 and 1985 U.S. State Department Authorization Act (H.R. 2915).<sup>80</sup>

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<sup>77</sup> Paul, Ron. “National Endowment for Democracy: Paying to Make Enemies of America.” (October 11, 2003) accessed January 26, 2008, [http://www.iefd.org/articles/paying\\_to\\_make\\_enemies.php](http://www.iefd.org/articles/paying_to_make_enemies.php).

<sup>78</sup> Ibid.

<sup>79</sup> Ibid.

<sup>80</sup> For computing the relative value of the U.S. dollar in 1985 to 2007 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, August 9, 2008. See also Lowe.

The Reagan administration proposed a \$65 million (equivalent to \$125.2 million in 2007 dollars) democracy promotion initiative to be coordinated directly by the United States Information Agency (USIA). Ultimately the Reagan administration opted to support the outright establishment of the Endowment when the Foreign Affairs Committee reported out H.R. 2915.<sup>81</sup> In this resolution the committee staked out its preference for the non-governmental Endowment concept.

Although authorized levels were originally set at \$31.3 million, actual appropriations only reach \$18 million (equivalent to \$34.6 million in 2007 dollars).<sup>82</sup> It took 10 years for NED appropriations to actually reach the original authorized level. Thus the issue of congressional funding of NED serves as a viable indicator of the degree to which Congress significantly impacts the reach of U.S. foreign policy. The impact of Congress's control over the scope of foreign policy activities is evidenced not only by the levels of the second NED authorization for FY 1986 and 1987 (set at \$18.4 million, equivalent to \$34.8 million in 2007 dollars), but also by the requirement for the

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<sup>81</sup> Note that the Senate version (Senate 1342) ran into trouble the moment it was reported out (May 23, 1983). The Senate version ran afoul of conservative members of Congress such as Senator Jesse Helms (R-North Carolina, 1973-2003) who through a hostile amendment sought to allocate NED funds to the Voice of America for transmitters. Helms co-sponsored an amendment (defeated by a 48 to 42 vote) that would have struck NED entirely from the U.S. Department of State appropriation bill. Representative Jim Leach (R-Iowa, 1977-2007) declared that "the entire project was a scandal in the making." While Senator Orrin Hatch (R-Utah, 1997-present) wanted to see funds for the political party institutes dropped entirely and given to the labor institute. Conservative columnist James L. Kilpatrick accused the NED bill of being an attempt to create "a plump little slush fund for the big cats of labor, business, and the two major parties." Eventually the Senate-House conference committee worked out a compromise on funding and on November 18, 1983 (the last day of the congressional session) and a modified National Endowment for Democracy was established as part of the State Department Authorization Act. Goldman, Ralph M. "The Future Catches Up." New York, NY: IUniverse Publishers, Volume 1: Transnational Actors and Parties, 2002, pgs 138-139.

<sup>82</sup> Lowe, writing on the history of National Endowment for Democracy's 20<sup>th</sup> anniversary, highlights the role of Congress the endowment's operations. See, Lowe.



incorporation of expanded language to the NED Act. According to David Lowe of the National Endowment for Democracy, congressional requirements included the following:

- 1) That the NED Board of Directors codified prohibitions on the use of funds for partisan political purposes, including the funding of national party operations.
- 2) Mandated the requirement that NED grantees consult with the U.S. Department of State, although the same would have no veto over grants, prior to the commencement of program activities.
- 3) Establishment of February 1 as the required date of reporting to Congress on all grants (originally it was December 31).
- 4) The requirement that despite NED's non-governmental status, it be subject to Freedom of Information Act (FOIA) requirements.
- 5) That all NED financial transactions for each fiscal year be subject to a possible USIA audit. (This section has subsequently been amended by new authorizations to require such audits.)<sup>83</sup>

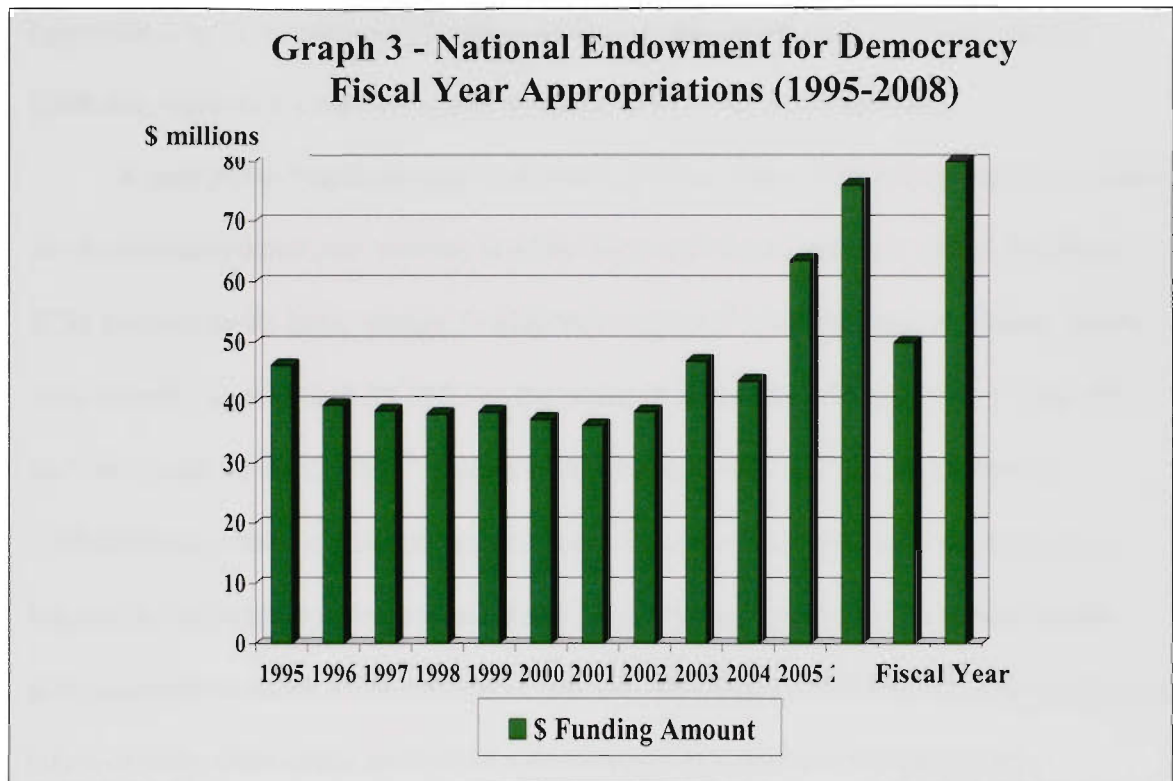
The existence of the foregoing requirements is not meant to imply that Congress has not provided NED with special appropriations as deemed appropriate in countries of special interest to the United States. For example, in the past Congress has authorized additional funds for NED to undertake specific democratic initiatives in countries at different stages of democratization as diverse as Poland (where it supported the Polish trade union Solidarity), Chile, Nicaragua, South Africa, China, Burma, and Eastern Europe following the collapse of the Soviet Union.

Lowe indicates that while the Foreign Relations Act of 1992 declares that it is the sense of the Congress that NED supplement congressional appropriation with funding from the private sector, Congress has rejected any requirement that NED raise matching

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<sup>83</sup> Note that a provision in the Foreign Relations Act of 1995 recommended the equal funding of the four institutes and a capping of the total amount reserved for them at 55 percent of the appropriated amount. Ibid.

funds.<sup>84</sup> NED consequently remains primarily funded on an annual appropriations basis from the U.S. national budget.



Note: The Congressional Research Service (CRS) does not provide direct public access to its reports, requiring citizens to request them from their member of Congress. Some members, as well as several non-profit groups, have posted the reports on the Web. Funds data has been compiled from a number of CRS reports made available from Web sites since 1990. Data for FY 2007 is estimated and FY 2008 is requested. For an actual breakdown of dollar amounts by year in 2007 dollars (last calendar year available at time of writing for full initial and target year consumer price index data) see Appendix 2. For computing the relative value of the U.S. dollar in 1995 to 2007 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Source: The FY 1995-2005 data is compiled from CRS State Department and Related Agencies FY Appropriations reports (various years), see <http://digital.library.unt.edu/govdocs/crs/searchform.tkl>. FY 2006-2008 data compiled from U.S. Department of State, "FY 2008 Budget in Brief," (February 5, 2007), accessed January 27, 2008, <http://www.state.gov/s/d/rm/rls/bib/2008/html/79742.htm>.

<sup>84</sup> In this regard Lowe argues that in FY1993, NED began compiling an annual report of cash and in-kind contributions raised by all of its grantees to supplement their NED funding. The FY1999 report indicates that for every program dollar spent from NED's congressional appropriation, its grantees raised an additional \$.65. Ibid.

Appropriations for the Endowment are included in the U.S. Department of State – U.S. Agency for international Development (USAID) budget. Graph 4 clarifies the issue of appropriation amounts by highlighting the 1995 to 2008 levels of NED funding (see Appendix 2 for a comparison of annual appropriations based on 2007 dollar values). NED also receives a small amount of funding from various foundations.

Graph 3 also highlights that with the Cold War’s end, which purportedly heralded an era of lessened political military confrontation and the advent of a “peace dividend,” NED funding levels have remained relatively constant.<sup>85</sup> For that matter, funding levels have actually increased in FY 2003 in the wake of the events of September 11, the War on Terror, and the Iraqi War.<sup>86</sup> Justification for increased NED funding levels is attributable to a combination of factors. These factors include that the Endowment has become better organized, more transparent (e.g., regularly publishes its annual reports and independent audits of its activities), and has benefited from the Bush administration’s intent to make democracy promotion a cornerstone of American foreign policy.

#### **CHAPTER SUMMARY AND PRELUDE TO CHAPTER 4**

The purpose of Chapter 3 has been to shed light on the nature of the executive-legislative struggle for the privilege of primary responsibility in the U.S. foreign policymaking process. The overview of the dispute for primacy has not only touched

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<sup>85</sup> The “peace dividend” is a political slogan originally popularized as a political slogan in the early 1990s by President George H.W. Bush (R, 1989-93) and by the United Kingdom’s Prime Minister Margaret Thatcher (Conservative Party, 1979-90). This slogan was frequently utilized immediately after the end of the Cold War in discussions describing the economic benefit of decreased defense budgets.

<sup>86</sup> In the financial year ending in September 2004, NED had an income of \$80.1 million, \$79.25 million of which came from U.S Government agencies, \$0.6 million came from other contributors, plus a small amount of other revenue. *Ibid.*

upon the issues associated with the struggle for U.S. foreign policymaking primacy, but also reviewed the means at Congress's disposal, namely control over the funding process, to guide policymaking.

The review has been necessary to grasp the nuances associated with the executive-legislative foreign policymaking debate. The discussion of executive-legislative relations in foreign policymaking is also required for a better comprehension of the following chapter's case studies. Chapter 4 will apply the arguments presented in Chapter 3 to the discussion of how Congress has dealt with Latin American revolutionary change during the Cold War. Chapter 5 will also compare how Congress today, in the post-Cold War period, is dealing with revolutionary change in Latin America.

The next two chapters will bring together the general points made in Chapter 3 about the executive-legislative dispute for primacy in U.S. foreign policymaking with specific examples of how this dispute impacts international relations. Blasier's theoretical propositions, already discussed in both Chapters 2 and 3, will be further utilized to identify similarities and differences between how Congress has reacted to revolutionary change in Latin America during the Cold War and post-Cold War periods.

## CHAPTER 4 - CONFRONTING REVOLUTIONARY CHANGE IN LATIN AMERICA

“Beyond the issue of U.S. security interests in the Central American-Caribbean region, our credibility world wide is engaged. The triumph of hostile forces in what the Soviets call the ‘strategic rear’ of the United States would be read as a sign of U.S. impotence.”

National Bipartisan Commission on Central America, 1984<sup>1</sup>

### UNITED STATES FOREIGN POLICYMAKING: APPLYING BLASIER’S FRAMEWORK

#### Setting the Stage

Chapter 3 set the stage for the application of the framework by elaborating on the nature of the executive-legislative debate over which branch of the United States (U.S.) government has the primary responsibility for leading foreign policymaking. Chapter 4 builds on that debate by applying Cole Blasier’s theoretical propositions to three case studies where the U.S. Congress influenced foreign policymaking toward Latin America before and during the Cold War. The discussion in Chapter 4 is the basis for analysis U.S. interactions with post-Cold War Venezuela.

Chapter 4 analyzes U.S. reaction to revolutionary change by focusing on the Central American/ Caribbean Basin sub-region. The chapter compares and contrasts congressional involvement in dealing with reformists and revolutionaries such as

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<sup>1</sup> U.S. National Bipartisan Commission on Central America (Kissinger Commission), “Report of the National Bipartisan Commission on Central America,” [Washington, DC: U.S. Department of State, January 1984], pg 93. See Schoultz, Lars. *National Security and United States Policy toward Latin America*. Princeton, NJ: Princeton University Press, 1987, pg., 276.

Nicaragua's José Santos Zelaya's reformist government (1893-1909), the Sandinista as revolutionaries (1961-79), and the Sandinista revolutionary government (1979-90).

Chapter 4 undertakes a review of key aspects of U.S. involvement in Central America and establishes a baseline of analysis of current day drivers influencing U.S.- Central American/ Caribbean Basin relations. Chapters 5 and 6 subsequently build on the analysis presented herein and deliberate on the extent that the U.S. executive and legislative branches perceive Venezuela, governed by Hugo Chávez, to be a threat to American interests. The review carried out in this chapter assists in answering the question of whether Chávez is a threat or rather merely a nuisance much as was the case of the congressional assessment of the (first) Sandinista government toward the end of the Cold War.

Chapter 4 further defines what constitutes U.S. interests in Latin America, and in the Central America/ Caribbean Basin sub-region in particular, and how such interests may be threatened by non-hemispheric powers. Chapter 4 also reviews a series of pre- and Cold War era case studies. These case studies illustrate the evolution of U.S. foreign policymakers' thinking pertaining to the interpretation of potential threats arising from Latin American reformists and revolutionaries as they transition from positions outside of government to becoming the ruling party.

In Chapter 4 Blasier's theoretical propositions illuminate the U.S. executive and legislative branches' justification for involvement in the region. Classic examples include the Roosevelt Corollary (1904) to the Monroe Doctrine of 1823, and the Rayner Resolution (1909). Chapter 4 delves into the circumstances that motivate U.S. foreign policymakers to support as well as withdraw support from a regime. I also describe the

conditions under which U.S. foreign policymakers will likely accommodate or suppress reformist and revolutionary regimes.

In a similar vein, Chapter 4 addresses the globalist-regionalist perspectives debate that influenced the Carter and Reagan administrations' interpretation of, and dealings with the Sandinistas. Blasier's propositions are used to interpret the perception or misperception of the extent of Soviet interventionism in Latin America. The analysis of such events explores the reasons why the congressional assessment of the Sandinista threat ultimately diverged from that reached by the Reagan administration.

### **A Note on the Case Studies and other Means of Analysis**

The case studies in Chapter 4 share similarities interpretable by means of Blasier's theoretical propositions. While the case studies deal with descriptive historical events, they also serve the purpose of shedding light on U.S. foreign policymakers' reactions to actual and perceived threats posed by revolutionaries. Blasier's framework adroitly anticipates how U.S. government's policymakers may react to Latin American revolutionary challenges even today. Blasier's framework captures the dynamics that determine U.S. foreign policy, which has remained fundamentally unchanged since the dawn of the Republic. Excluding hostile extra-hemispheric powers (including non-state actors) from Latin America remains a key component of U.S. policy.<sup>2</sup>

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<sup>2</sup> In 1811 Congress reacted to growing security concerns over the presence of extra-hemispheric powers by adopting the "No Transfer Resolution." This resolution passed on the verge of war with Great Britain, when the latter threatened to seize Spanish Florida and use it as a base to attack the United States, asserted that the United States "cannot without serious inquietude see any part of the said territory (Spanish Florida) pass into the hands of any foreign power (Great Britain); and that a due regard to their own safety compels them to provide . . . for the temporary occupation of the said territory." This resolution is the catalyst for the subsequent Monroe Declaration of 1823 that has become the cognitive bedrock for U.S. foreign policy toward Latin America whereby "prudent people keep potential adversaries as far away as possible." See

The U.S. Government's commitment to this objective remains steadfast despite the post-September 11, 2001 realities created by the rise of the potential for non-state actors to threaten the United States.<sup>3</sup> A modern reinterpretation of the policy for example, is the Bush Doctrine (2001-02) that is worded broadly enough as to justify intervention in any part of the world, including Latin America, in order to pre-empt hostile (terrorist) forces from using a third country as a springboard for attacks against the American homeland. What has changed from the Cold War era is that today, neither the Russian Federation as the Soviet Union's heir, nor the People's Republic of China as an emerging global power, possess the combination of political, military, and economic capability to challenge U.S. hegemony in the Americas. During the Cold War the United States was threatened by a political, militarily powerful, ideologically hostile extra-hemispheric power (Soviet Union) seeking to challenge U.S. hegemony worldwide in its bid for global leadership. Latin American revolutionary change, interpreted through that prism, was seen as possessing the potential<sup>4</sup> to threaten U.S. vital security interests.<sup>4</sup>

The foregoing statements are placed in context by providing examples of how the U.S. executive and legislative branches reacted to revolutionary change in Central

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Hartlyn, Jonathan, Lars Schoultz, and Augusto Varas, *The United States and Latin America in the 1990s: Beyond the Cold War*. Chapel Hill, NC: University of North Carolina Press, 1992, pgs. 3-4.

<sup>3</sup> The post-World War II international system will be unrecognizable by 2025. Terrorist entities may decline if youth employment and avenues for political expression are provided in the Islamic world. Latin America's major countries, excluding Venezuela and Bolivia that experimented with populist governance, will be middle income powers. However, the region will fall behind Asia and other areas in terms of economic competitiveness. National Intelligence Council - Directorate of National Intelligence. *Global Trends 2025: A Transformed World*. Washington, DC: U.S. Government Printing Office, 2008, pgs. vii-ix.

<sup>4</sup> Vital interests are defined in the context of the present study as being conditions and situations so important to a state that it will not voluntarily forfeit these interests to another state. A state in this regard may be compelled by a more powerful state to surrender these interests. More succinctly put, vital interests are those issues, concerns, or resources over which a state will go to war to assure. See, Snow, Donald M., and Eugene Brown. *United States Foreign Policy: Politics Beyond the Water's Edge*. Boston, MA: Bedford/ St. Martin's Press, 2<sup>nd</sup> edition, 2000, pgs. 6-7.



America during the 1970-90 period. Past U.S. policy responses to revolutionary challenges confirm the applicability of Blasier's propositions to the Nicaragua case studies and mesh with the sidebar commentary of other countries, such as El Salvador, which also experienced revolutionary upheaval during that time.

### **Defining Interests and Threats**

Blasier's theoretical propositions remain a relevant means for analyzing congressional reaction to Latin American revolutionary change dating from before the Cold War era through it and into the present post-Cold War period. Blasier's framework highlights how the United States defines interests and threats while stressing foreign policymakers' consistency in dealing with such revolutionary challenges.

Interest is defined as "a situation or a condition important to the State."<sup>5</sup> Based on the importance that the State assigns to such interests, the amount of finite (political-military and economic) resources it is willing and able to expend will vary.

### **CASE STUDY NUMBER 1: THE UNITED STATES AND ZELAYA (NICARAGUA)**

#### **United States Involvement in Nicaragua: The Early Years**

The Sandinista National Liberation Front (*Frente Sandinista de Liberación Nacional* – FSLN) in 1979 ousted the government of longtime U.S. ally Anastasio Somoza Debayle.<sup>6</sup> The Sandinistas toppled the Somoza (autocratic) dynasty in place

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<sup>5</sup> Ibid. pg. 277.

<sup>6</sup> Note in order to distinguish between father and sons in the case of the Somozas, the study recurs to using their compound last names – Somoza García in the case of the elder Somoza (1937-47 and 1950-56), and Somoza Debayle in the case of the younger Somozas, Luis (1956-63) and Anastasio (1967-72 and 1974-1979).

since the elder Somoza consolidated power in 1936 under the aegis of the United States. In doing so, the Sandinistas created a revolutionary offshoot of the Cuban Revolution. Despite the Sandinistas' links to Soviet-backed Fidel Castro's Cuba, their regime cannot be defined in terms of being a communist bloc state since it remained committed to a mixed economy, did not do away with political pluralism, and pursued membership in the non-aligned movement of states thus eschewing "great power and bloc politics."<sup>7</sup>

Notwithstanding internal dissent and open rebellion by the Contras (U.S.-funded contra-revolutionary forces), the Sandinistas controlled Nicaragua from 1979 until 1990 when they were democratically ousted from power.<sup>8</sup> The Sandinistas' decade-long stranglehold on power is the result of their control over the multi-party Junta of National Reconstruction (*Junta Nacional de Reconstrucción*) and the presidency.

The U.S. involvement in Nicaragua predates the Sandinistas. As early as 1909 the United States intervened in support of Conservative party forces rebelling against the (Liberal party) government of José Santos Zelaya (1893-1909). The 1909 intervention, and the decades-long presence in Nicaragua, was motivated by a combination of factors. By the early 1900s U.S. foreign policymakers wrote off a partnership with Zelaya for

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<sup>7</sup> See Cruz, Arturo in an untitled review of Anthony Lakes' "Somoza Falling" in *Journal of Interamerican Studies and World Affairs*, Vol. 31, No. 3, Special Issue: The International Dynamics of the Commonwealth Caribbean (Autumn, 1989), pp. 208, accessed February 18, 2008, <http://www.jstor.org.ezproxy.fiu.edu/view/00221937/ap010120/01a00100/0?currentResult=00221937%2ba010120%2b01a00100%2b0%2c07&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FBasicResults%3Fhp%3D25%26si%3D1%26gw%3Djtx%26jtxsi%3D1%26jcpsi%3D1%26artsi%3D1%26Query%3DSomoza%2BFalling%26wc%3Don>. Also see, Castro, Fidel, "Speech to the United Nations as Chairman of the Non-Align Movement," October 12, 1979, accessed January 31, 2009, <http://lanic.utexas.edu/la/cb/cuba/castro/1979/19791012>.

<sup>8</sup> Although the Sandinistas lose multi-party elections in 1990, they remain to this day a politically powerful party, and to the chagrin of U.S. foreign policymakers, former president Daniel Ortega (FSLN – 1985-90) has been democratically reelected to the Nicaraguan presidency in 2006.

having restricted American investors' access to natural resources (e.g., the building of a trans-isthmus canal through Nicaragua, as well as limited access to mining and logging concessions).

Three key factors motivated U.S. intervention: 1) Zelaya's political-military threat to the U.S.-backed Central American republics, 2) his overture to extra-hemispheric imperial rivals (Germany and Japan), and; 3) attempts to reign in Nicaragua's pro-United States Conservative party. United States intervention was justified by the obligation to protect American lives and property and to assure internal political stability in Nicaragua. Such justifications are still used to validate contemporary U.S. foreign policies.

#### **Interpreting the Zelaya Government Threat: Blasier's *Propositions 2, 3, and 4***

The assessment of the threat Zelaya posed to his Central American neighbors and to American interests is the key determinant of U.S. action. Blasier's *Proposition 2* and *3* apply to how U.S. foreign policymakers viewed Zelaya. United States hostility toward Zelaya is a result of the government's conclusion that the Zelaya government's revolutionary reform policies were a threat to U.S. political and economic interests. The Zelaya (reformist) government is itself a product of a Liberal party revolt against the preceding Conservative party government. U.S. hostility toward Zelaya further evolved as a result of his revolutionary, anti-conservative origin, and autocratic governance style.<sup>9</sup>

Blasier's *Proposition 2* maintains that the United States is hostile toward reformist (stage 2) governments, not because of their autocratic natures, but rather due to the adverse impact of their reforms on U.S. private interests. Unease over Zelaya's

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<sup>9</sup> American interests were concentrated in pro-Conservative party areas (e.g. Bluefields).

reform agenda was compounded by overtures to Germany and Japan, both then hostile, extra-hemispheric rivals. Zelaya's policies clashed with U.S. interests in Nicaragua and were labeled a threat to vital strategic considerations (*Proposition 3*): exclusive control over a single trans-isthmus canal and mining interests.

## Map 1 - Central America and the Caribbean



Obs: Author modified map of "Central America and the Caribbean," with actual (solid line) and proposed (dashed line) trans-isthmus canals. Canal route lines are approximated.

Source: University of Texas – Perry Castañeda Library Collection, accessed February 16, 2008, see [http://www.lib.utexas.edu/maps/americas/central\\_america\\_ref02.jpg](http://www.lib.utexas.edu/maps/americas/central_america_ref02.jpg).

One is hard pressed to accept that Zelaya's progressive, liberal policies (e.g., public education, a national road building program, and the establishment of a national

steamship line) threatened U.S. (hegemonic) interests. Yet, if these reforms are viewed in terms of the Conservative-Liberal political struggle, another picture emerges. Zelaya's progressive reforms sought to modernize Nicaragua and centralize authority. To consolidate such reforms, Zelaya created a national army loyal to him with the accompanying requirement that all civilian-held weapons be surrendered to his government. Zelaya's measures represented an autocratic bid to centralize authority and perpetuate personal rule by crushing dissent.<sup>10</sup>

As Chapters 5 and 6 will illustrate Zelaya's Nicaragua and Hugo Chávez's Venezuela share similarities regarding the rise of anti-U.S. politicians seeking to rebalance their country's prevailing socio-political and economic order and relations with the United States. Both Zelaya and Chávez seek to centralize authority and crush political opponents identified as agents (stooges) of the United States and local U.S. interests.

Although liberalism in Central America (Map 1) is normally associated with the region's coffee-growing elites, Zelaya is not an instrument of the coffee-growing elites nor were all coffee growers supporters of the Liberal party. The ease with which Zelaya imposed autocracy is instead the result of Nicaragua's widespread and incessant intra- and -inter-party factionalism. Political factionalism freed Zelaya from being constrained by Conservatives or beholden to his Liberal party.<sup>11</sup> Having seized power, Zelaya contrived to dictate political stability in Central America, mirroring some of the same concerns as those evidenced by the United States.

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<sup>10</sup> See, Mahoney, James. *The Legacies of Liberalism: Path Dependence and Political Regimes in Central America*. Baltimore, MD: John Hopkins University Press, 2001, pg. 181.

<sup>11</sup> *Ibid.* pgs. 181-182.

While both Zelaya and the U.S. government concurred with the need for regional political stability. However Zelaya's interpretation of stability and means for achieving it diverged from U.S. notions. Zelaya interpreted stability as emanating from the resurrection of the old Federal Republic of Central America (*República Federal de Centroamérica*, 1823-1840), with himself as its president, and Nicaragua as the dominant state in the amalgamated country.<sup>12</sup> Zelaya's objectives were seen by the United States as expansionist, constituting a threat his neighbors and a challenge to U.S. hegemony.

Heralding many of today's concerns with Chávez's aspirations, Nicaragua's neighbors and the United States interpreted Zelaya's machinations as a threat. Despite Central Americans' desires for political-economic union, Zelaya is blamed for the 1906-07 regional wars fought to impose stability via forced reunification. In a pattern that characterizes most inter-state relations in Central America, hostilities only ceased as a result of the United States' involvement.<sup>13</sup> Mirroring current accusations raised by

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<sup>12</sup> The republic encompassed Guatemala, which then included today's Mexican state of Chiapas, El Salvador, Honduras, Nicaragua, and Costa Rica. The republic was torn apart by differences between Liberals who wanted to establish a modern, democratic state based on the precepts of the French revolution and free trade, and wealthy land-owning Conservatives backed by the Roman Catholic Church that favored the maintenance of the status quo. The 1838-40 Liberal-Conservative Civil War split the federation.

<sup>13</sup> In June 1906, President Theodore Roosevelt (1901-09) acted as a mediator between Guatemala on the one side and Honduras and El Salvador on the other to end the brief war that had broken out between these Central American republics. The peace treaty signed onboard the U.S. gunboat *U.S.S. Marblehead* required these states to henceforth submit their differences to arbitration. The treaty invoked the moral guidance of the mediators for the fulfillment of its obligations. According to Philip Marshall Brown, this direct reference to the United States' obligation to mediate and intervene in the affairs of the Central American republics was assented to by all of the region's states with the exception of Zelaya's Nicaragua. Zelaya subsequently attacked Honduras in February of 1907, but American (naval) intervention prevents the conflict from extending to El Salvador and Guatemala. American diplomatic intervention in August of the same year inhibits war from breaking out between Nicaragua and El Salvador. The need to ensure peace and stability in the region leads Roosevelt to convene the Washington Peace Conference (November 13 to December 20, 1907) which obliged the Central American to take their disputes to the Central American Court of Justice and abide by its ruling. See, Brown, Philip Marshall. *American Intervention in Central America*, in *Latin America*. New York, NY: G. E. Stechert and company, 1914, George H. Blakeslee, editor, pgs. 245 to 246, accessed March 9, 2008,

Chávez, U.S. involvement is denigrated by Zelaya as interference in Central American affairs.<sup>14</sup>

During this period, access to Nicaraguan resources and concession rights for digging a trans-isthmus canal through Nicaragua is at stake for the United States. A key incentive for American investors for locating a canal through Nicaragua is that it would shave roughly 500 miles off a similar canal route through Panama (Map 1). Yet Nicaragua's political instability and hostility toward the United States made a Nicaraguan inter-oceanic canal difficult to negotiate.

For decades American investors had sought to dig a canal through Nicaragua. Despite the fact that Nicaragua had long been the favorite option given American investors' agricultural and commercial interests, lobbyists for the Panamanian route convinced the U.S. Senate to vote against Nicaragua in favor of Panama. Not to be outdone by a perceived American affront to extort concessions from Managua, Zelaya invited Germany and Japan to build a competing canal through Nicaragua. U.S. foreign policymakers interpreted Zelaya's action as a political, military, and economic threat since the United States and Germany were competing for access to Caribbean ports.<sup>15</sup>

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<http://books.google.com/books?id=R9WV9aG6wlkC&pg=PA245&lpg=PA245&dq=1906+central+american+war&source=web&ots=Y2RfCezOMg&sig=TmlLyL8YDXINjllZB0ToYfqGJF4&hl=en#PPR3,M1>.

<sup>14</sup> See, Mahoney, pg. 187.

<sup>15</sup> In part, the United States, already involved in a Cold War of sorts with Germany, feared that Nicaragua would be unable to service its foreign debt and thereby result in a repetition of Germany's aggressive intervention during the Venezuela incident of 1902-03. In the case of the latter, Berlin had communicated that the British were willing to "temporarily occupy Venezuelan harbors much as it had done in China." Note that in 1898 Kaiser Wilhelm II had "temporarily" acquired Kiaochow in China on a ninety-nine year lease. President Theodore Roosevelt concurred with Rear Admiral Henry Clay Taylor, chief of the Bureau of Navigation that Venezuela. ". . . could offer nothing but territory, or she could mortgage her revenue in such a way as to place herself in complete political dependence on Germany. The United States could not allow either of these, and yet Germany's right to indemnity would be incontestable." See, Morris, Edmund, "A matter of extreme urgency: Theodore Roosevelt, Wilhelm II, and the Venezuela Crisis of 1902 - United

The Nicaraguan case study again shares similarities with Venezuela. Chávez, much like Zelaya, in control of a coveted resource (i.e., petroleum), extorts major economic concessions from U.S. business interests, while offering political quid pro quos to U.S. policymakers. Chávez promises the provision of an uninterrupted oil flow to the United States in exchange for a U.S. withdrawal from Latin America.

The need to safeguard American agricultural and commercial interests was a key determinant of U.S. intervention in Nicaragua. In the 1909 intervention, the main concern was to safeguard U.S. interests associated with assuring Panama's independence albeit under U.S. suzerainty.<sup>16</sup> On the basis of protecting American interests, U.S. foreign policymakers interpreted Zelaya's German/ Japanese gambit as a security threat.<sup>17</sup>

Had the U.S. government not blocked Zelaya's dealings with extra-hemispheric rivals of the United States, U.S. foreign policymakers feared that Managua would revoke the concession rights of the (American) Maritime Canal Company of Nicaragua.<sup>18</sup> Ensuing exclusive German-

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States-Germany conflict over alleged German expansionistic efforts in Latin America," in *Naval War College Review* (Spring 2002), pg. 2, accessed May 30, 2008, [http://findarticles.com/p/articles/mi\\_m0JIW/is\\_2\\_55/ai\\_88174230/pg\\_2](http://findarticles.com/p/articles/mi_m0JIW/is_2_55/ai_88174230/pg_2).

<sup>16</sup> By the American Civil War (1861-65), the United States and its citizens had growing strategic and commercial interests in Nicaragua (i.e. banking, transportation, and coffee and banana plantations). Furthermore the likes of Cornelius Vanderbilt, Cornelius K. Garrison, and Charles Morgan all had significant business interests in the lucrative New York-to-San Francisco trade route traversing through Nicaragua. Vessels sailing from New York would enter Nicaragua via the San Juan River on the Atlantic Ocean side and sail across Lake Nicaragua to the city of Rivas where passengers and goods would then be transported by stagecoach a short distance over land before reaching the Pacific and continuing their onward passage to San Francisco. So lucrative were these interests that there was discussion of acquiring Nicaragua as a U.S. territorial possession. Case in point is the U.S. government's fear of the establishment of a British-controlled trans-isthmus canal which led to the Clayton-Bulwer Treaty (1850) whereby both states agreed not to occupy any part of Central America. Belize and the Bay Islands were excluded since they were already controlled by Great Britain.

<sup>17</sup> In part the United States feared Nicaragua becoming unable to service its foreign debt and thereby a repletion of Germany's aggressive intervention during the Venezuela incident of 1902-03.

<sup>18</sup> U.S. official involvement and private-sector interest in a proposed trans-isthmus canal through Nicaraguan territory is evidenced by the U.S. Senate bill of December 15, 1881 (sponsored by Senator Miller of California) incorporating the Maritime Canal Company of Nicaragua. The bill assigned to the President of the United States of



Japanese control of a Nicaraguan canal would both compete with the U.S. canal being dug in Panama and prejudice American investors' interests in a Nicaraguan canal.

The threat to U.S. vital strategic interests posed by the construction of a competing canal resides in Zelaya's exclusion of U.S. participation in its construction, operation, and defense.<sup>19</sup> Zelaya's overture to hostile rivals of the United States in the "American backyard" poisoned relations with Washington (*Proposition 3*).<sup>20</sup> As will be further discussed in the following chapters, Chávez has, unlike Zelaya, succeeded in extracting significant concessions pertaining to oil field control and operations from major international oil companies under the threat of expropriation. Chávez, much like Zelaya, has reached out to extra-hemispheric powers - in this case China and Iran - to assist with his vision of Venezuela's economic-nationalist development and the commercialization of its resources.

A key distinction between Zelaya's Nicaragua and Chávez's Venezuela resides in the lack of a catalyst of significant magnitude to spark calls for Chávez's removal from power at the U.S. grassroots and congressional levels. Lars Schoultz in "*Beneath the United States*" elaborates on the Zelaya threat to American economic (mining) interests

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America the right to name one of the eleven board of director members. One of the investors and a board member, was former President Ulysses S. Grant (18). See, *The New York Times*, (December 16, 1881), accessed February 16, 2008, [http://query.nytimes.com/mem/archive-free/pdf?\\_r=1&res=9B01E2D81438E033A25755C1A9649D94609FD7CF&oref=slogin](http://query.nytimes.com/mem/archive-free/pdf?_r=1&res=9B01E2D81438E033A25755C1A9649D94609FD7CF&oref=slogin).

<sup>19</sup> Mahoney, pg. 187.

<sup>20</sup> Recall that the U.S. government, according to Blasier, will respond to revolutionary governments (stage 3) in accordance to the latter's perceived links to the United States' strongest Great Power rival. In the years leading up to the First World War, Germany was identified by U.S. government officials as the United States' greatest rival. Both countries had conflicting interests in the Pacific and Germany was increasingly active in Mexico and the Caribbean, areas falling within the U.S. sphere of influence. Any German political-military and or economic involvement in the region is consequently identified as a threat to U.S. vital strategic interests.

in Nicaragua, while pointing out that there is scant evidence linking Secretary of State Philander Chase Knox's (1909-13) actions to entrepreneurs from the United States and the Nicaragua Mining Company (a mining concession), as a determinant of policy. Here, Schoultz cites the Zelaya government's execution of Lee Roy Cannon and Leonard Groce, American employees of the Pittsburgh-based mining concession, as a key factor leading to the U.S. overthrow of Zelaya.<sup>21</sup> Cannon's and Groce's execution for their involvement in the Conservative-led rebellion restricts Zelaya's room for maneuvering. The execution of two Americans fueled the ire of William H. Taft (R, 1909-13) who, from the onset, sought to oust Zelaya.<sup>22</sup> Chávez has avoided such a situation.

### **Legitimizing U.S. Intervention: Blasier's *Propositions 2, 3, and 4* as applied to the Roosevelt Corollary and the Rayner Resolution**

In a pattern that later characterized the U.S.-Soviet Cold War period, the Senate weighed in on the U.S.-Nicaragua dispute, not as rival to executive branch foreign policymaking, but rather as a facilitator, curtailing the possibility of inter-branch conflict (Blasier's *Proposition 9*). The Senate, through an act of Congress, conceded the foreign policymaking initiative to the Taft administration. Congress abdicated its responsibilities

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<sup>21</sup> Schoultz, Lars. *Beneath the United States: A History of U.S. Policy toward Latin America*. Cambridge, MA: Harvard University Press, 1998, pgs. 212-213.

<sup>22</sup> Leo B. Lott, commenting on Dana G. Munro's "Intervention and Dollar Diplomacy in the Caribbean, 1920-1921" argues that the foreign policies of the administrations of Theodore Roosevelt, William H. Taft, and Woodrow Wilson were motivated mainly by political and not economic considerations. In this sense both Munro and Lott find common ground with the notion that American foreign policy during the period sought "to put to an end conditions that threatened the independence of some Caribbean states and consequently were a threat to the security of the United States." See, Lott, Leo B., untitled review of Dana G. Munro's "Intervention and Dollar Diplomacy in the Caribbean, 1900-1921" in *Annals of the American Academy of Political and Social Science*, Vol. 356, The Non-Western World in Higher Education (Nov., 1964), p. 209.

to assert its constitutional foreign policymaking prerogatives, and acted as a counter balance to special interest pressures influencing White House policies.

The extent to which the Senate abdicated the foreign policymaking initiative is best exemplified by Senator Isidor Rayner's (D-Maryland, 1905-12) resolution introduced 10 days following the Taft administration's December 1, 1909 severance of diplomatic relations with Nicaragua. In Rayner's resolution, the Senate authorized the Taft administration "to take all necessary steps for the apprehension of Zelaya, the alleged perpetrator of the crime (the executions of Cannon and Groce)."<sup>23</sup>

Blasier's *Proposition 4* is applicable to both the Taft administration's position and to the Rayner resolution. The resolution, calling for the apprehension of the recognized head-of-state and -government, precludes the negotiation of any agreement with Managua short of capitulation. Blasier's *Proposition 4* in this case ascertains that the U.S. government will opt to suppress any revolutionary government whenever it is determined that the latter will not negotiate an agreement acceptable to Washington (in this case both the White House and Congress). It is important to note that the Rayner resolution authorizes the Taft administration to use "whatever methods and processes may be necessary to accomplish this purpose."<sup>24</sup> The Rayner resolution establishes congressional precedence of delegating authority to the President by legitimizing the implementation of the earlier Roosevelt Corollary.<sup>25</sup> As a consequence, the Rayner resolution and the

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<sup>23</sup> Ibid. pg. 213.

<sup>24</sup> Ibid. pg. 213.

<sup>25</sup> President Theodore Roosevelt's 1904 amendment to the Monroe Doctrine (1823) asserted that the United States had the right to intervene in Central America and Caribbean states in order to stabilize their economic affairs. Washington feared that the alternative to U.S. intervention would be intervention by the

Roosevelt Corollary set the stage for intervention in Central America and the Caribbean Basin sub-region through 1934.<sup>26</sup> Justification for intervention is phrased in terms of the burden that the United States must bear on behalf of its southern neighbors.

The notion of the burden that America bears on behalf of its southern neighbors first arises in President Theodore Roosevelt's (R, 1901-09) 1904 annual message to Congress. Roosevelt's speech specifies the reasoning for intervention and states:

"It is not true that the United States feels any land hunger . . . as regards the other nations of the Western Hemisphere save such as are for their welfare. All that this country desires is to see the neighboring countries stable, orderly, and prosperous. Any country whose people conduct themselves well can count upon our hearty friendship. If a nation shows that it knows how to act with reasonable efficiency and decency in social and political matters, if it keeps order and pays its obligations, it need fear no interference from the United States. Chronic wrongdoing, or an impotence which results in a general loosening of the ties of civilized society [however], may in America, as elsewhere, ultimately require intervention by some civilized nation, and in the Western Hemisphere the adherence of the United States to the Monroe Doctrine may force the United States, however reluctantly, in flagrant cases of such wrongdoing or impotence, to the exercise of an international police power . . . While [our Southern neighbors] obey the primary laws of civilized society they may rest assured that they will be treated by us in a spirit of cordial and helpful sympathy . . . It is a mere truism to

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European powers seeking to recover monies owed by these countries' bondholders. Kris James Mitchener and Marc Wiedenmier indicate that the Roosevelt Corollary brought not only a measure of financial stability to the region, but also reduced intra- and inter-state political conflict. Both of the foregoing factors benefited the United States directly in the sense that financial stability reduced the proclivity for European intervention and assured American hegemony in the region. See, Mitchner, Kris James, and Marc Wiedenmier in "Empire, Public Goods, and the Roosevelt Corollary," (January 2004), accessed March 9, 2008, [http://lsb.scu.edu/faculty/research/working\\_papers/pdf/mitchener\\_wp02-b.pdf](http://lsb.scu.edu/faculty/research/working_papers/pdf/mitchener_wp02-b.pdf).

<sup>26</sup> U.S. Presidents have cited the Roosevelt Corollary as justification for U.S. intervention in Cuba (1906-1910), Nicaragua (1909-1911, 1912-1925 and 1926-1933), Haiti (1915-1934), and the Dominican Republic (1916-1924). The United States began to shift its position on intervention in 1928 during the Calvin Coolidge administration (1923-29) with the Clark Memorandum (December 17, 1928) which states that the United States only has the right to intervene in Central America and the Caribbean when these states are threatened by European powers. By 1934 Franklin D. Roosevelt renounced interventionism and established his "Good Neighbor policy." Roosevelt's Good Neighbor policy is responsible for tolerating the emergence of dictators such as Anastasio Somoza García (1937-47 and 1950-56) in Nicaragua, Fulgencio Batista (1940-44 and 1952-59) in Cuba, and Rafael Leónidas Trujillo (1930-38 and 1942-52, unofficially holding power until assassinated in 1961) in the Dominican Republic.

say that every nation, whether in America or anywhere else, which desires to maintain its freedom, its independence, must ultimately realize that the right of such independence can not be separated from the responsibility of making good use of it.”<sup>27</sup>

Rayner’s resolution provides the Legislative branch’s congressional acquiescence to the White House invoking the Roosevelt Corollary. The latter is utilized to legitimize the landing of 100 Marines from the *U.S.S. Paducah* to protect American lives and property in Bluefields. However, U.S. intervention is directly responsible for preventing the capitulation of the Conservative-controlled port of Bluefields to Zelaya loyalist José Madriz, a factor that turns the course of the Nicaraguan civil war.<sup>28</sup>

Rayner’s resolution represents congressional *carte blanche* authorizing the U.S. executive branch to impose order and stability on the tumultuous Central American republics. Although Rayner’s resolution is not tantamount to an unconditional surrender of Congress, and thus in collusion with the executive branch in matters of foreign policymaking, it exemplifies significant congressional deference.

Table 5 summarizes Blasier’s *Propositions 2, 3, and 4* and illustrates how Blasier’s propositions explain the reasoning of why the United States adopted a hostile position toward Zelaya.

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<sup>27</sup> Roosevelt, Theodore, President of the United States of America in “1904 Annual Message to Congress.” (December 6, 1904), accessed March 9, 2008, <http://www.pinzler.com/ushistory/corollarysupp.html>.

<sup>28</sup> Extrapolating from Rayner’s resolution in accordance with *Proposition 4*, it can be assumed that even if Zelaya had surrendered to the United States but left Madriz in charge of the government, the United States would have still pursued regime change. It was feared that Madriz, by being politically associated with Zelaya, would likely have continued Zelaya’s overture to extra-hemispheric powers. Therefore the United States could not accept a successor (Liberal party) Madriz regime given that it would entail a continuation of the hostile, anti-American policies of the Zelaya government.

Similarly, the Chávez government, because of its populist reforms, is raising U.S. concerns because of the impact of the former on U.S. business interests in Venezuela (*Proposition 2*). If the Chávez government pursues more radical revolutionary reforms, either as a means of ensuring popular political support at home to perpetuate its rule, or seeks to more closely align itself with extra-hemispheric powers hostile to the United States, foreign policymakers in Washington may opt to suppress the Chávez government. (*Proposition 3*). However, should the Chávez government, or a successor regime, negotiate an acceptable settlement of issues in conflict (e.g., continue to provide quick and adequate compensation for expropriated U.S. property) then Washington's foreign policymakers will likely react by extending to Venezuela conciliatory policies (*Proposition 4*).

**Table 5 - Applying Blasier's Propositions to the United States Government's (USG) Action in dealing with the Zelaya Government**  
(Grouped by Phases or Stages of Revolutionary Change)

Proposition	Action Grouped by Relevance to the Three Phases or Stages of Revolutionary Change
<b>Number 2</b>	USG will be hostile toward most reformist governments (stage 2) primarily because of the adverse impacts these have on U.S. private interests. Zelaya's progressive reforms and limitations on access to Nicaraguan natural resources impacts American private interests.
<b>Number 3</b>	USG will respond to revolutionary governments (stage 3) in accordance to the latter's perceived links to the United States' strongest Great Power rival. Germany's involvement in the region is identified as a threat to American national security interests. Strategic considerations shape a suppressive USG response to the Zelaya government which is itself a product of political revolt.
<b>Number 4</b>	USG leaders will opt for conciliatory responses when it is determined that a revolutionary government will negotiate an acceptable settlement of issues in conflict and that such an agreement precludes the interference of a hostile Great Power in the country concerned. USG leaders will opt for suppression whenever they determine that the revolutionary government will not negotiate such an agreement and subdue such an agreement whenever it is deemed the best means of preventing or countering the interference of a hostile Great Power. In the Nicaraguan case, Zelaya would neither voluntarily surrender to the United States nor forgo ties with extra-hemispheric powers consequently making a mutually acceptable negotiated agreement impossible.

Source: Blasier, 1985, pg. 236.

**Interpreting the Zelaya Government Threat: Blasier's *Propositions 5, 6, 11, and 12***

The Washington-Managua dispute is also explained in terms of Blasier's *Propositions 5 and 6*, which encompass U.S. economic and strategic considerations. Blasier's *Propositions 11 and 12* nevertheless are better indicators of a typical U.S. response. U.S. objectives in dealing with Zelaya are shaped by the President acting

through a cabinet-level officer (i.e., Secretary of State Knox), and are a response to pressure exerted by an American corporation on the executive branch.<sup>29</sup>

Security considerations, the need to retain U.S. hemispheric political-military primacy (*Proposition 11*), and economic considerations (*Proposition 12*) remain two major determinants of American foreign policy. The latter case is best highlighted by the U.S. State Department's (Knox's) opposition to Zelaya negotiating loans with British banking syndicates meant to finance the construction of a new railway. By bypassing American involvement the U.S. government would lack control over the proposed project and thus undermine U.S. suzerainty in the region.<sup>30</sup>

In the time leading up to the First World War, the U.S. government sought to establish preeminent influence in Central America vis-à-vis the other imperial powers. For example, the 1901 Hay-Paunceforte treaty between the United States and Great Britain highlights U.S. objectives for securing interests.<sup>31</sup> Britain, recognizing its

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<sup>29</sup> Knox's links to Pittsburgh mining interests are extensive. Prior to serving as Attorney General of the United States in the McKinley and Roosevelt administrations, Knox as general counsel of the Carnegie Steel Company, help organize the United States Steel Company in 1901. Knox has been said to have had a close association with the United States and Nicaragua Mining Company, and in testimony before the United States Senate Sub-committee on Foreign Affairs the U.S. Consul to Bluefields (Moffat) indicated that it was his belief that Zelaya's actions against the Pittsburgh-based mining concession was what motivated Knox to seek Zelaya's removal. Zelaya had been planning to cancel the United States and Nicaragua Mining Company's concession since at least 1907. See, Gismondi, Mike and Jeremy Mouat, "Merchants, Mining, and Concessions on Nicaragua's Mosquito Coast: Reassessing the American Presence, 1893-1912," (Penultimate versions before editing) in *Journal of Latin American Studies* (London: Cambridge University Press) 34, 4 2002, pgs. 845-879, accessed March 16, 2008, [http://www.athabascau.ca/html/staff/academic/gismondi/Final\\_JLAS\\_Merchants.htm](http://www.athabascau.ca/html/staff/academic/gismondi/Final_JLAS_Merchants.htm).

<sup>30</sup> Mahoney, pg. 187.

<sup>31</sup> Note that the Clayton-Bulwer treaty (1850) is more of a treaty made between equals than is the case of the Hay-Paunceforte treaty (1901). The former bound both signatories not to obtain or maintain exclusive control over a trans-isthmus canal. The Clayton-Bulwer treaty also bound both signatories to respect Nicaraguan and other Central American republics' sovereignty by having them renounce any right to occupy, fortify, or colonize any of these countries. The Hay-Paunceforte treaty itself nullifies the Clayton-Bulwer treaty of 1850 and gives the United States the sole right to establish and control a trans-isthmus canal through Central America.



diminishing influence compared to the United States, signed the treaty to counter German encroachments on its political and commercial interests in the Caribbean Basin.<sup>32</sup>

Schultz clarifies that the U.S. government remained cordial to Zelaya only as long as he cooperated with American objectives for the region (e.g., Blasier's *Propositions 2 and 3*).<sup>33</sup> An understanding with Britain assured by treaty, coupled with Panama's independence from Colombia (1903), ensured that any incentive that the U.S. government had in accommodating the Zelaya government evaporated. Britain's acquiescence to U.S. control of the trans-isthmus canal starting construction through Panama (and completed by 1914) negated Washington's need for further indulging Zelaya's regional aspirations.<sup>34</sup>

Today, the United States is cultivating the leaders of countries that will serve as alternative sources of petroleum (i.e., Angola and Equatorial Guinea). Diversification of suppliers is meant to reduce U.S. dependence on hostile states such as Venezuela. Such contingency planning is tantamount to the realistic assessment that Chávez's regime will endure and aims to mitigate the consequences of a possible future suspension of

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<sup>32</sup> For Great Britain, friendship with the United States represents an expedient, low-cost means for checking threatening German aspirations and involvement in the region while at the same time further drawing the United States into a potential confrontation with Germany over regional port access.

<sup>33</sup> Schultz, pg. 210.

<sup>34</sup> A U.S. controlled canal through newly independent Panamanian territory assured unhindered U.S. access to the Pacific Ocean and the U.S. territories on the American west coast. Note that while Zelaya is willing to assign concessions to foreign interests in order to develop Nicaragua, he is unwilling to concede on the issue of sovereignty. Territorial integrity required for Zelaya Nicaraguan sovereignty over a trans-isthmus canal. While the United States had offered the Zelaya government \$11 million in 1900 (or \$280.1 million in 2007) for ceding the right-of-way, Zelaya refused the offer giving sovereignty concerns. Zelaya's refusal to acquiesce to the U.S. offer motivates Washington to look to Panama in 1903 as an alternative route. See, Gismondi, Mike and Jeremy Mouat, pgs. 845-879. For computing the relative value of the U.S. dollar in 1900 to 2007 (last year of full annual data for initial and target year) using the consumer price index, accessed, August 9, 2008, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.

Venezuelan crude oil shipments. Zelaya’s and Chávez’s actions are indicators of the extent to which an anti-status quo power may seek to disrupt regional recognition of U.S. hegemony.

### **Interpreting the Zelaya Government Threat: Conclusions and Consequences**

While the foregoing highlights the regional security threat posed by Zelaya, his policies were not crafted in a political vacuum. Zelaya’s policies are as reactionary to external threats to Nicaragua as they are attempts by Managua to impose centralized authority over its domestic rivals, factors captured by Table 6 below.

<b>Table 6 - Applying Blasier’s Propositions to the United States Government’s (USG) Action in dealing with the Zelaya Government (Grouped by Economic and Bureaucratic Explanations)</b>	
<b>Proposition</b>	<b>Action Grouped by Relevance to Economic and Bureaucratic Explanations</b>
<b>Number 5</b> (economic)	Economic considerations and private business interests are important in the formulation of USG policies and are compatible with policies decided on strategic grounds. However, strategic factors take precedence over economic considerations. A concern for U.S. policymakers was the possibility that Zelaya would allow the German and Japanese governments to construct a trans-isthmus canal through Nicaraguan territory, threatening American concessions and security.
<b>Number 6</b> (bureaucratic)	President Taft and Secretary of State Knox are engaged in Great Power rival strategic decision-making.
<b>Number 11</b>	USG suppressive responses are the result of the need to retain U.S. hemispheric political primacy.
<b>Number 12</b>	USG responses are shaped by: 1) the President acting with or through cabinet-level officers; 2) leaders of large corporations working with the U.S. Congress and the executive; and 3) middle level diplomats and civil servants. Responses are result of security, economic, and bureaucratic considerations.

Source: Blasier, 1985, pg. 236-237.

From a Nicaragua-centric perspective, Zelaya's political objectives result from the need to check the expansionist proclivities of Guatemala's Manuel Estrada Cabrera.<sup>35</sup> Schoultz takes the position that while U.S. foreign policymakers identified Zelaya's attempts to check Estrada Cabrera as destabilizing, Washington was oblivious to foreign concessionaries' (i.e., Great Britain, Germany, Japan, and France and the United States) and Estrada Cabrera's shared responsibility for regional instability.<sup>36</sup>

Beyond the factors enumerated in Table 6, the United States had ulterior motives for preventing what would have been a regionally destabilizing Nicaraguan invasion of El Salvador (*Propositions 6, 11, and 12*). While the United States saw the Zelaya government as a threat to its vital security interests, it also had to weigh its actions in light of U.S.-Mexican relations. Thus U.S.-Nicaragua policy is influenced by the strategic need to curtail Mexico's Porfirio Díaz's own Central American designs (*Proposition 3*) at a time of growing German influence in Mexican affairs. Chávez's saber rattling along the Venezuela-Colombia border is not comparable to this situation.

If the pro-Mexico Zelaya government had been permitted by the United States to destabilize its neighbors, Díaz's own influence in Central America would have increased and benefited German ambitions.<sup>37</sup> An expansion of Mexican influence in Central

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<sup>35</sup> Gismondi and Mouat, pgs. 845-879.

<sup>36</sup> Ibid.

<sup>37</sup> The Díaz government is seen as holding imperialist territorial aspirations of its own in Central America and in particular in Guatemala where more than 40,000 Mexicans resided. See, *The New York Times*, "Our Government Is Waiting; Zelaya asks inquiry by our Commission," (December 5, 1909), accessed February 23, 2008, <http://query.nytimes.com/mem/archive-free/pdf?res=9503E0D7113EE033A25756C0A9649D946897D6CF>. At the same time editorials in the *New York Times* similarly stoked the ire of American public opinion by calling for the Zelaya government to pay reparations for the execution of Cannon and Groce, going as far as advocating the seizure of Nicaraguan government controlled ports in the case of non-compliance. See, *The New York Times*. The underlying

America would have encircled pro-United States Guatemala, stoking already tense Great Power rivalries in the ramp up to World War I (1914-18).

Zelaya's fate is ultimately sealed when Mexico indicates that it would not challenge the United States for regional hegemonic control in Central America. Mexico clarified to the United States that its strategic interests for the region extend only to the contested Guatemalan territory of Chiapas.<sup>38</sup> Zelaya, facing a Conservative insurrection, a U.S. Marine landing at Bluefields, and realizing that Díaz would not intervene on his behalf, determined that exile in Mexico City was the only viable option. He was acutely aware of what happened to American filibuster William Walker (e.g., his failed bid to retain control of Nicaragua ended before a firing squad) half a century earlier.

The United States response to the challenges posed by the Zelaya government also falls within Blasier's *Propositions 14* and *17*. The U.S. response to the Zelaya threat is functional given that German involvement in the region in the years leading up to First World War was on the rise. Berlin sought to establish greater depth of political influence than mere commercial concerns would otherwise justify (*Proposition 14*). The Zelaya situation does not hold true with regards to Chávez's Venezuela given that there is no extra-hemispheric power that can challenge U.S. regional influence at present.

In the pre-Cold War period, the importance of U.S. concerns over the possibility of extra-hemispheric powers establishing a foothold in the region is clarified by James

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argument in both cases is the call for an American protectorate in Central America given that because of the regional government's constant political strife they were incapable of assuring either peace nor stability and consequently the local population would welcome American interventions. See, *The New York Times*, "Taft up dase against Nicaragua," (November 22, 1909), accessed February 23, 2008, <http://query.nytimes.com/gst/abstract.html?res=9D00E0DA1630E733A25751C2A9679D946897D6CF>.

<sup>38</sup> Mexico's decision not to challenge the United States by acceding to Washington's Central American interests in this case serves as an example of Blasier's *Proposition 4* in the U.S.-Mexico bilateral relationship.

Mahoney in *“The Legacies of Liberalism: Path Dependence and Political Regimes in Central America.”* Mahoney indicates that American investors had contemplated Nicaragua as the possible site for a trans-isthmus canal for decades.<sup>39</sup> Mahoney makes the case that the need to safeguard American lives, property, and commercial interests in Nicaragua was only of secondary importance<sup>40</sup> in the decision of U.S. foreign policymakers to intervene in the Liberal-Conservative party dispute.<sup>41</sup> Instead, U.S. military intervention in the Nicaraguan civil war is the calculated outcome of the need to safeguard overarching U.S. vital security interests (*Proposition 17*) by denying a hostile extra-hemispheric power a foothold in the region. However, American interests serve as a convenient catalyst for intervention. Yet Zelaya’s departure neither ends instability nor results in the expeditious withdrawal of U.S. military forces or heralds the end of U.S. involvement. Rather it is the U.S. occupation (1912 to 1933), not the Conservative party government (1910-26), that sets the tone of U.S.-Nicaragua relations until the 1979 Sandinista triumph.

For forty years U.S.-Nicaraguan relations are characterized by Nicaragua’s dependence on the United States. Throughout the period Nicaragua is unwilling to sever its ties of dependence (*Proposition 19*) as a result of the succeeding pro-United States government’s reliance for their political survival on maintaining friendly ties with

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<sup>39</sup> To facilitate and safeguard these investments, Senator John Franklin Miller (R-California, 1881-86) introduced the Nicaragua Canal Bill on December 15, 1881, which proposed the incorporation of the Maritime Canal Company of Nicaragua. This bill provided for extensive participation by the United States government with roles reserved for both the executive and legislative branches (see Appendix 3). Interest in and support for the Nicaraguan Canal remains high in the United States for decades nevertheless. See, Mahoney, pgs. 187-188.

<sup>40</sup> Ibid. pg. 189.

<sup>41</sup> Ibid. pgs. 188-189.

Washington.<sup>42</sup> Table 7 illustrates how the U.S. government's dealings with Zelaya and the successor governments are grouped.

<b>Table 7 – Blasier’s Propositions for United States Government’s (USG) Action</b> (Grouped by Responses Evaluated and Impact)	
<b>Proposition</b>	<b>Responses Evaluated</b>
<b>Number 14</b>	USG strategic responses in Central America deal with the threat posed by Zelaya are functional given the possibility of German involvement if Mexico’s President Diaz had not limited his country’s Central American aspirations of recovering territory in Chiapas from Guatemala.
<b>Number 17</b>	USG responses are crafted out of business and security concerns as described in <i>Propositions 2 and 3</i> . Few USG responses are taken out of broad conceptions of U.S. public interest. The handful of shareholders of the Maritime Canal Company of Nicaragua and the United States and Nicaragua Mining Company do not represent the public interests of the United States.
	<b>U.S. Impact</b>
<b>Number 19</b>	USG policies will generally not facilitate revolutionary governments’ attempts to reduce their dependence on the United States. The Liberal-Conservative coalition and Conservative party governments of the 1910-26 period and the ensuing Somoza family presidencies (1936-79) all remained highly dependent on the United States.

Source: Blasier, 1985, pgs. 237-238.

The U.S. occupation of Nicaragua provides a measure of stability otherwise lacking in the Nicaraguan polity – which continued deeply fissured along Liberal-Conservative partisan lines.<sup>43</sup> The precarious stability provided by the U.S. Marines is

<sup>42</sup> Interestingly enough given the nature of the U.S. military intervention in 1909 which was motivated in part by the Zelaya government’s overture to Germany and Japan to construct a trans-isthmus canal through Nicaraguan territory, by 1914 the United States and Nicaragua sign the Bryan-Chamorro treaty. This treaty allowed the United States to construct a second Central American canal across its territory.

<sup>43</sup> The Marine occupation of Nicaragua is brought about by the 1911 treaty signed between the United States and Nicaragua that authorized American intervention in exchange for the reorganization of Nicaragua’s finances. Note that the 2,700 man Marine force dispatched to Nicaragua by Taft in 1912 is officially invited by the Managua government to intervene in the country’s affairs in order to safeguard U.S. lives and property. See, United States House of Representatives, “Report of the Congressional

made evident by the fact that their 1925 evacuation resulted in the outbreak of the “Constitutionalist War” between Liberal and Conservative partisans, with order only being restored with the return of U.S. Marine forces in 1926.<sup>44</sup> The presence of U.S. military forces ushers in the age of an informal American protectorate over Nicaragua and facilitates the establishment of Liberal-Conservative coalition governance.

The Liberal-Conservative coalition government is, however, quickly challenged by Augusto César Sandino. Sandino wages a nationalist guerilla war against the Conservative-led regime and its U.S. protectors. Sandino’s revolt succeeds in-as-much as it forces the United States to compromise with Nicaragua’s warring political parties and withdraw its forces by 1933. Yet prior to evacuating its forces, the United States establishes the Nicaraguan National Guard (*Guardia Nacional*) to safeguard American interests. This act empowers the Somoza family as *de facto* pro-consuls of Washington.<sup>45</sup>

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Committees Investigating the Iran-Contra Affair with Supplementary, Minority, and Additional Views.” Washington, DC: 100<sup>th</sup> Congress, 1<sup>st</sup> Session, (November 17, 1987), accessed April 2, 2008, [http://books.google.com/books?id=ew\\_K3auTwEgC&pg=PA27&lpg=PA27&dq=congressional+oppositio+n+to+the+sandinistas&source=web&ots=IwFuTqMjBF&sig=KnzRidRwwhXC\\_rVhz-eS-oo3UOI&hl=en#PPR1,M1](http://books.google.com/books?id=ew_K3auTwEgC&pg=PA27&lpg=PA27&dq=congressional+oppositio+n+to+the+sandinistas&source=web&ots=IwFuTqMjBF&sig=KnzRidRwwhXC_rVhz-eS-oo3UOI&hl=en#PPR1,M1), pg., 25.

<sup>44</sup> As Schoultz indicates, the pull out in 1925 of the U.S. Marine forces stationed in Nicaragua is due to the fact U.S. foreign policymakers had determined that by 1924 U.S. objectives in Nicaragua had been accomplished. Namely there was constitutionally valid transfer of power acceptable to Washington, Nicaragua’s debt claims had been paid, the country’s finances put into order, and its foreign relations stabilized. See, Schoultz, pg. 262.

<sup>45</sup> Note that while Sacasa had won the 1932 election, Washington’s decision to replace the U.S. Marine commander of the National Guard (*Guardia Nacional*) with Anastasio Somoza García seals the fate of the Sacasa administration. Somoza García assumes full control over the National Guard on January 1, 1933, the same day that Sacasa is inaugurated. Somoza García’s control of the National Guard leads to an uneasy struggle for power that culminates with the resignation of Sacasa in 1936. Somoza García goes on to assume the presidency after winning rigged elections. It is the U.S. equipped and trained National Guard, led by the pro-United States Anastasio Somoza García that assassinates Sandino in 1934. Note that Sandino and Somoza García had by 1934 become the real rulers of Nicaragua, relegating President Juan Bautista Sacasa (1933-36) to mostly a figurehead role. With the elimination of Sandino, and counting on the unequivocal support provided by the National Guardsmen, Somoza García consolidated the sort of power in 1936 that allowed him and his family to control Nicaragua’s political destiny through 1979. See, Schoultz, pg., 270-71.

## CASE STUDY NUMBER 2: U.S. CONGRESSIONAL FOREIGN POLICYMAKING, THE PRESIDENT, AND THE SANDINISTAS AS REVOLUTIONARIES

### Setting the Stage: The Sandinistas' Evolution from Revolutionaries to Ruling Party

Despite the differences between Zelaya and the Sandinistas, they form part of a revolutionary continuum seeking to break Nicaragua's ties of political-economic dependence on the United States.<sup>46</sup> Yet, while Zelaya sought liberal reforms to consolidate Nicaragua as a modern capitalist state, the Sandinistas aspired to impose revolutionary reforms that would reconfigure Nicaraguan class identity and the State.

The Sandinista revolutionary agenda, like Chávez's, called for the establishment of egalitarian and participatory democratic governance. The Sandinistas aimed to empower Nicaragua's citizens and popular organizations by involving them in the political decision-making process. In *"The Sandinista Revolution: National Liberation and Social Transformation in Central America,"* Carlos M. Vilas concludes that:

“What characterizes representation is the function developed in relation to a given class: consequently the representation of a class, alliance, or project can be in the hands of an organization or state apparatuses whose management corresponds to class or factions distinct from those whose interests are pushed in a given project.”<sup>47</sup>

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<sup>46</sup> Zelaya sought to bury the ghost of American filibusters like William Walker (1824-1860). Zelaya, as the scourge of Central America became the sixth president of Nicaragua (1856-57) and sought to expand the Southern (U.S.) institution of Slavery in the sub-region. The Sandinistas for their part sought to erase the legacy of forty years of Somoza family dictatorship.

<sup>47</sup> See, Vilas, Carlos M. *"The Sandinista Revolution: National Liberation and Social Transformation in Central America."* Berkley, CA: The Monthly Review Press – Center for the Studies of the Americas, 1986, pg. 39.



Vilas' interpretation shares a number of similarities with Venezuela's Bolivarian Circles.<sup>48</sup> Additionally, Ralph Lee Woodward, Jr., purports in "*Central America, a Nation Divided*," that the Sandinistas, in the wake of the Somoza dynasty's collapse, viewed themselves as the vanguard in the struggle to provide a better life to Nicaragua's masses, while prioritizing the interests of the masses above those of the traditional elite.<sup>49</sup> This revolutionary style of democratic governance differs radically from the representative democratic governance model long advocated by U.S. policymakers.<sup>50</sup>

Sandinismo as a government is a radical departure from the past quasi-totalitarian democratic, if not oligarchic and kleptocratic practices of the Somocista governments. Mark Major in "*The Sandinista Revolution and the Fifth Freedom*," elaborates that the United States became alarmed by the Sandinista philosophy of "governing by the logic of the majority."<sup>51</sup> The Sandinista proposal to make Nicaragua's poor majority the primary

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<sup>48</sup> The Bolivarian Circles are grassroots organizations in Venezuela with more than 2.2 million adherents. The Circles are the most basic form of political participation in Venezuela's democratic process and bypass the country's traditional party-system organizations by involving Venezuelans directly in domestic and international matters. See, Chávez, Rodrigo, and Tom Burke in "The Bolivarian Circles," published in ZNet, (July 30, 2003), accessed April 6, 2008, <http://www.zmag.org/content/showarticle.cfm?ItemID=3971>.

<sup>49</sup> Woodward, Ralph Lee, Jr. *Central America, a Nation Divided*. New York, NY: Oxford University Press, 2<sup>nd</sup> edition, 1985, pg. 263.

<sup>50</sup> The U.S. Department of State defines representative democracy as a system of governance in which a country's citizens "elect officials to make political decisions, formulate laws, and administer programs for the public good." Representative democracy differs from direct, participatory democracy. While in the latter citizens make public decisions without the intermediary of elected or appointed officials, in a representative democracy elected officials deliberate in a thoughtful and systemic manner on complex issues on behalf of the electorate. See, U.S. Department of State, "Defining Democracy," accessed, April 5, 2008, <http://usinfo.state.gov/products/pubs/whatsdem/whatdm2.htm>.

<sup>51</sup> Majors, Mark, "The Sandinista Revolution and the Fifth Freedom," in the *Monthly Review* (August 15, 2005), accessed April 11, 2008, <http://mrzine.monthlyreview.org/major150805.html>. I define totalitarian democracy in the Nicaraguan case along the lines of a polity in which the state, as embodied by the Somoza dynasty abrogates to itself the topmost power over everything to itself and everyone. Under this sort of arrangement the Nicaraguan state sought to crush any independent and unruly entity (e.g. the Liberal party and the Sandinistas). See, Polyarchy.org, "totalitarian Democracy" in "Polyarchy: Paradigm from

beneficiaries of national public programs such as health, education, agrarian reform, welfare, and housing and social reform are similar to those now proposed by Chávez.

### **The Overthrow of Somoza Debayle: Overview**

The Sandinistas that overthrew Anastasio Somoza Debayle in 1979 are the product of the 1961 student agitation movement at the National Autonomous University of Nicaragua.<sup>52</sup> The student movement arose as a result of the Somoza Debayle regime's repressive nature coupled with economic injustices.<sup>53</sup>

Peter H. Smith points out in the *Talons of the Eagle: Dynamics of U.S. - Latin American Relations*, that the Somoza dynasty contained the seeds of its own destruction. Yet, to the end the Somoza family remained unflinching Cold War lieutenants of the United States. They neither questioned the U.S. overthrow of Guatemala's Jacobo Arbenz in 1954, nor did they oppose it, but rather cheered on the anti-Fidelistas that departed from Puerto Cabezas (1961) in their quest to win back Cuba for the United States. In spite of American political, military, and economic assistance, Anastasio Somoza Debayle's ability to rule unchallenged rapidly eroded in the early 1970s.

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totalitarian democracy to libertarian polyarchy," (2002), accessed April 13, 2008, <http://www.polyarchy.org/paradigm/english/democracy.html#totalitarian>.

<sup>52</sup> Founded by José Carlos Fonseca Amador, Silvio Mayorga, and Tomás Borge Martínez, the Frente Sandinista de Liberación Nacional (FSLN) began in the late 1950s as a group of student activists at the National Autonomous University of Nicaragua (Universidad Nacional Autónoma de Nicaragua--UNAN) in Managua. A number of early members such as Borge spent several years in jail while others like Fonseca were exiled to Mexico, Cuba, and Costa Rica. Although numerically small throughout the 1960s, by the early 1970s the FSLN had gained enough support from peasants and students groups to launch limited military initiatives. See, Library of Congress, "Country Studies: Nicaragua," (December 1993), accessed February 23, 2008, [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+ni0022\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+ni0022)).

<sup>53</sup> Although first organized as the National Liberation Front (*Frente de Liberación Nacional* – FLN), this movement evolves into the FSLN by 1963 when its activists adopt the moniker "Sandinista" in order to establish continuity with the earlier (nationalist) Sandino movement as a means of establishing ideological legitimacy and strategic capabilities.

Somoza Debayle's weakness was the result of strong domestic discontent with official corruption and his iron-fisted autocratic rule. Samuel P. Huntington refers to this sort of situation as characteristic of an undemocratic system.<sup>54</sup> While oppressive dictators are bad enough, Somoza Debayle combined oppression with ineptitude. Lack of foresight crippled his government's ability to evolve in the face of domestic discontent and mounting U.S. congressional opposition to heavy-handed governance.<sup>55</sup>

As Walter LaFeber purports in *Inevitable Revolutions: The United States in Central America*, Somoza Debayle's error resides in the lack of political foresight resulting from the exclusion of Nicaragua's elite from highly profitable entrepreneurial activities controlled by the presidency.<sup>56</sup> The Conservative party landed elite, along with the National Guard and the United States, were the guarantors of Somoza's rule. By excluding the landed elite from a share of the economic wealth controlled by the Somoza kleptocracy, and compounding this action by not permitting the emergence of effective, legal, more representative mechanisms as an outlet for reformist Liberal party inspired

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<sup>54</sup> Huntington in this sense holds that a key characteristic of an undemocratic system (i.e. Somocista Nicaragua) is the fact that the opposition will be curbed and or harassed and the free press reigned in/ repressed. In elections, the votes are routinely manipulated/ miscounted to produce an outcome favorable to the incumbent government. Interestingly enough, if the Somoza Debayle government is labeled as being authoritarian it does in fact evidence a number of characteristics such as a high degree of repression, denial of its own weakness, and the pursuit of fabricated legitimacy via ballot box manipulation. Huntington, Samuel P. *The Third Wave: Democratization in the Late Twentieth Century*. Norman, OK: University of Oklahoma Press, 1993, pgs. 7-8.

<sup>55</sup> At the end of the day the Somoza Debayle government failed to retain its claim to governing legitimacy since it failed to promote itself to the Nicaraguan citizenry as being capable of providing viable long-term solutions to the country's political, economic, and social problems.

<sup>56</sup> Of the \$32 million sent to Nicaragua by the United States in 1972 earmarked for the reconstruction of Managua, the Nicaraguan treasury could only account for \$16 million. Half of the funds disappeared outright while the Guardia Nacional either sold the medical relief supplies sent and or engaged in the looting. LaFeber indicates that when reconstruction finally began, Somoza Debayle and his close friends drove out other businessmen to control construction funds. The Nicaraguan business class never forgave Somoza Debayle for the fortune that the dictator made with his friends in land speculation and building. See, LaFeber, Walter. *Inevitable Revolutions: The United States in Central America*. New York, NY: W.W. Lorton and Company, 1984, pg. 228.

demands, Somoza Debayle foments armed resistance to his rule.<sup>57</sup> Somoza Debayle's actions alienated the U.S. Congress and Conservative allies, and failed to appease Liberal opponents.<sup>58</sup>

Somoza Debayle compounded this by rigging the 1974 election, a process which included the arrest of any opponent that urged voters to boycott the election and outlawed nine major opposition parties. The Nicaraguan Roman Catholic Church and the small pro-Liberal party press led by Pedro Joaquín Chamorro's *La Prensa* denounced Somoza Debayle's attempts to force Nicaraguans to vote. By daring to denounce the government's corruption, the Church and Chamorro signaled to the country and the Sandinistas in particular, that Somoza Debayle's hold on power was tenuous.<sup>59</sup>

Nicaragua at this juncture was what Larry Diamond, Juan Linz, and Seymour Lipset term as "*pseudo-democracy*" where the existence of democratic institutions (e.g., an executive, legislative, and judicial branches) and "multiparty electoral competition, masks (often in part to legitimize) the reality of authoritarian domination."<sup>60</sup> While the

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<sup>57</sup> The definition of kleptocracy being used here is based on that of the French newspaper *Le Monde* which gave the Somoza family's economic development model the name of kleptocracy. This model of development is based on what Cockcroft calls "thievery not only from the working people but also from elites and foreign investors." Cockcroft in this sense indicates that the Somozas took "their cut" from any private investment and or aid package in Nicaragua. See, Cockcroft, James D. *Latin America: History, Politics, and U.S. Policy*. Chicago, IL: Nelson-Hall Publishers, 1997, 2<sup>nd</sup> edition, pg. 209.

<sup>58</sup> The Somoza Debayle government acted the way it did because it was confident that it could ultimately extract continued U.S. political-military and economic support by playing the role of loyal vassal. This less than nationalistic position, coupled to widespread domestic recognition that Nicaragua was a personal kleptocracy of the Somoza family, radicalized the opposition. See, Bandow, Doug, "Economic and Military Aid," in Schraeder, Peter J. *Intervention into the 1990s: U.S. Foreign Policy in the Third World*. Boulder, CO: Lynne Rienner Publishers, 1992, pgs. 90-91.

<sup>59</sup> LaFeber, pg. 228.

<sup>60</sup> Diamond quotes Giovanni Sartori who finds that institutionalized ruling parties will make extensive use of coercion, patronage, and media control to deny the opposition parties a fair and open playing field for

Somoza-era constitution and civil code may have included some of the democratic notions highlighted by Guillermo O'Donnell and Philippe C. Schmitter in *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*, such as “citizen equality, majority rule, direct participation, parliamentary sovereignty, voluntary associability, accountable representation, unrestricted political choice honest apportionment, public disclosure, *altérnance* between incumbents and challengers,” their practice remained restricted, making it impossible to accomplish the peaceful, democratic removal of the Somozas via the ballot box.<sup>61</sup>

### **The Overthrow of Somoza Debayle: The Snubbing of an old Friend (*El rechazo de un viejo amigo*)**

Despite Somoza Debayle's lack of meaningful political accountability and repressiveness, his staying power was dependent on cultivating strong ties to the United States. Somoza Debayle, like his father and brother, remained an unwavering supporter of the United States and its Latin American foreign policies (*Propositions 5, 10, and 12*). Such unquestioning loyalty to the United States and its policies ensured Somoza Debayle enduring support for years among influential members of the U.S. Congress.<sup>62</sup>

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competing for power. See, Diamond, Larry. *Developing Democracy: Toward Consolidation*. Baltimore, MD: John Hopkins University Press, 1999, pg. 15.

<sup>61</sup> See, O'Donnell, Guillermo, and Philippe C. Schmitter. *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*. Baltimore, MD: John Hopkins University Press, 1986, pg. 42.

<sup>62</sup> During the height of the Cold War the Somozas offered the United States not only the possibility of using Nicaraguan territory as a base for launching an offensive against Cuba in 1966, but also volunteered the country's armed forces to fight in Viet Nam (1967) and assist in ousting Panama's president Arnulfo Arias (1968). See, Stanford Center for Latin American Studies and the School of Education's Learning, Design, and Technology Program (LDT), in “Expressions of Nicaragua – Timeline,” accessed April 6, 2008, [http://www.stanford.edu/group/arts/nicaragua/discovery\\_eng/timeline/](http://www.stanford.edu/group/arts/nicaragua/discovery_eng/timeline/).

Notwithstanding Somoza Debayle's political clout in Washington, congressional unease by the 1970s increased as a result of the negative publicity associated with accusations over the gross misappropriation of the 1972 earthquake international relief funds (only half of \$32 million donated was ever accounted for by the Nicaraguan treasury), misgivings about heavy-handed rule, and growing proof that the American trained-and-equipped Nicaraguan National Guard tortured regime opponents.<sup>63</sup> These issues resonated with the post-Watergate American electorate weary of Washington's less-than transparent dealings with affable yet non-democratic anti-Communist allies.

The post-Watergate era represents a significant evolution, or even a paradigm shift, in the American electorate's perception that the government has the obligation to check the spread of communism (*Proposition 16*). Throughout the Cold War and until the Viet Nam debacle, U.S. politicians, regardless of party affiliation, feared political backlash from disgruntled voters if they could be accused of failing to contain communism. As a result of the American electorate's shift, Representative Ed Koch (D-New York, 1969-77) and Senator Edward M. Kennedy (D-Massachusetts, 1962 to present) spearheaded efforts in an assertive post-Watergate Congress to hold Somoza Debayle accountable. Koch and Kennedy pressured the incoming administration of James E. "Jimmy" Carter (D, 1977-81) to terminate all U.S. military aid unless Somoza Debayle scaled back political repression.

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<sup>63</sup> Note \$32 million in 1972 is equivalent to roughly \$158.5 million in 2007 dollars using the consumer price index. For computing the relative value of the U.S. dollar in 1972 to 2007 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, August 9, 2008.

Carter was trapped between fellow Democrats in Congress demanding that he honor campaign promises to force Managua to improve its human rights record and the pro-Somoza lobby spearheaded by Representative John Murphy (D-New York, 1963-81) insistent on continuing U.S. support. Despite the Somoza lobby's strong opposition to any measure that would punish Managua, in April 1977 the Carter administration opted to send Somoza Debayle a blunt diplomatic message to either reform and curtail the sort of repressive measures that had led to the rise of widespread popular discontent within Nicaragua, or face the immediate cutoff of American economic and military aid.

Despite the Carter administration's threat to cut off aid, the administration's determination floundered and by September, succumbed to the pro-Somoza lobby's strong-arm tactics. The Somoza lobby's advocacy for lifting sanctions was strengthened by Somoza Debayle's lifting of the 1974 state-of-siege. Somoza's "act of contrition" allowed the pro-Somoza lobby to placate fair weather opponents of Somoza Debayle and point out to the Carter administration that the human rights issue had been addressed by Managua.<sup>64</sup>

The Carter White House and the pro-Somoza lobby actions are representative of Blasier's *Propositions 5 and 12*. In the case of *Proposition 5*, economic considerations, continued support for a friendly capitalist government did not conflict with the U.S. strategic considerations within the Central American region. With regard to *Proposition 12*, actions by the Carter White House and Congress are indicative of a high degree of participation by both in the crafting of U.S. policy.

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<sup>64</sup> Charles Nesbitt "Charlie" Wilson (D-Texas, 1973-97) is illustrative of the ability of the pro-Somoza lobby's ability to pressure the White House. He threatened as member of the House Appropriations Committee and Somoza friend, to hold up administration's appropriation funding unless Nicaragua was assured its military aid. LaFeber, pg. 231.

Yet the Carter administration's back-and-forth wavering between applying and lifting sanctions contributed to weakening the position of the United States, and was responsible for undermining the position of the bourgeoisie-middle class Democratic Union of Liberation (*Unión Democrática de Liberación* - UDEL). In *The Fall and Rise of the Market in Sandinista Nicaragua*, Phil Ryan finds that Carter's inconsistent sanctions policy toward Somoza Debayle emboldened the FSLN to launch a major military offensive by October 1977.<sup>65</sup> The Ortega brothers' decision to carry out the Sandinista version of Viet Nam's Tet Offensive in late 1977 was meant to preempt the non-Sandinista opposition from effectively organizing a united anti-Somoza political grouping. If Daniel and Humberto Ortega had not acted, popular support for the non-Sandinista opposition would have relegated the Sandinistas to a junior partner role.<sup>66</sup>

### **The Overthrow of Somoza Debayle: Blasier's Propositions 1, 3, 4, and 11 as applied to Carter's Choices**

In light of the deteriorating situation in Nicaragua, Carter, already treading water in the face of an assertive yet divided Congress, was forced to reassess his position and options for dealing with the Sandinistas. Carter and his advisors were trapped between two policy options. The first option was to declare the Sandinistas to be hostile, anti-American revolutionaries with links to the Soviet Union (*Proposition 1 and 3*) and

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<sup>65</sup> Daniel and Humberto Ortega launch the FSLN's October 1977 large-scale offensive against the Managua regime both as a consequence of Washington's inability to solidify a strategy for dealing with Nicaragua and as a result of the fact that opposition within the Sandinista movement to the "insurreccional strategy" had been decimated by the Somocista government's ability to capture and or kill off the opponents of the strategy. See, Ryan, Phil. *The Fall and Rise of the Market in Sandinista Nicaragua*. Montreal, Canada: McGill-Queen's University Press, 1995, pg., 45-46, accessed April 13, 2008, [http://books.google.com/books?id=3vjWxkl\\_mqYC&pg=PA46&lpg=PA46&dq=fsln+october+offensive&source=web&ots=m4eFET\\_0zg&sig=WdIWeQqINcInUM9YWakEp4X2rUk&hl=en#PPA45.M1](http://books.google.com/books?id=3vjWxkl_mqYC&pg=PA46&lpg=PA46&dq=fsln+october+offensive&source=web&ots=m4eFET_0zg&sig=WdIWeQqINcInUM9YWakEp4X2rUk&hl=en#PPA45.M1).

<sup>66</sup> Ibid. pg. 45.



proceed to work with the Somoza Debayle government or some remnant of it to suppress the Sandinista revolution out of strategic considerations (e.g., retain hemispheric political primacy – *Proposition 11*). The second option was to abandon Somoza Debayle and seek accommodation with the FSLN if it could be persuaded to temper demands and policies once in power (*Proposition 4*).

While deliberating what policy options to throw at political instability in Nicaragua, Carter was torn between his personal moral beliefs and geopolitical expediency. In short, Carter was confronted with the dilemma of having to choose between sacrificing his beliefs in the value of championing human rights and the foreign policy necessity of ensuring if not the survival of the Somoza Debayle presidency, at least preventing an outright Sandinistas victory.<sup>67</sup>

### **Interpreting the Sandinista Rebel Threat: Blasier's *Propositions 1, 3, 5, 6, 9, 10, 11, and 12***

Carter's perception of the Sandinistas as a growing threat to U.S. regional strategic security interests was influenced by National Security Advisor Zbigniew Brzezinski (1977-81), who saw the Soviet Union conspiring with Cuba's Fidel Castro to challenge the United States in Central America (*Proposition 1 and 11*). However, two of Carter's other senior-level foreign policymaking advisors, Secretary of State Cyrus

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<sup>67</sup> To the chagrin of the Carter administration, the FSLN amply demonstrated its growing military prowess with its October 1977 military offensive. The October 1977 military offensive showed for the first time that the Sandinistas were capable of launching coordinated North-to-South attacks and seizing small towns. What is interesting to note about the Sandinista October offensive is that opposition to Somoza Debayle rests not just with the FSLN. Mass uprisings occur in which in a number of cases included civilians spontaneously taking up arms and fighting alongside FSLN military units against the Somocista National Guard. See, Morley, Morris H. *Washington, Somoza, and the Sandinistas State and Regime in U.S. Policy toward Nicaragua, 1969-1981*. New York, NY: Cambridge University Press, 2002, pgs. 88-89.

Vance (1977-80) and U.S. Ambassador to the United Nations Andrew Young (1977-79), took issue with Brzezinski's globalist assessment.

Vance and Young believed that revolutionary proclivities and turmoil in Central America were indigenous, not the result of Soviet interventionism and or of a Soviet allies' mischief making (*Proposition 1* during the rebel phase and *Proposition 3* in the governing phase).<sup>68</sup> The Vance-Young regionalist interpretation of the threat posed by a Sandinista political and military victory failed to convince Carter.<sup>69</sup>

Instead, Carter accepted Brzezinski's position of the existence of a Soviet threat and the existence of a tangible Sandinista-Soviet link. Carter interpreted this linkage as a threat to U.S. vital security interests since it was seen as jeopardizing Central American political stability by potentially providing the Soviets with a beachhead on the mainland. Such a situation would intolerable since it could threaten U.S. interests in Panama (*Proposition 1*) and challenge U.S. leadership in the Americas (*Proposition 11*). The Brzezinski interpretation of the threat posed by a FSLN political-military victory dovetails with Charles F. Dorn's conclusions in *The Globalist-Regionalist Debate*, where he argues that the White House's over-reliance on the globalist perspective was a key

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<sup>68</sup> LaFeber, pg. 210.

<sup>69</sup> While the globalist perspective favors order-maintenance from the top of the international system out of fear of conflicts escalating on the periphery to encompass the center, the regionalist approach on the other hand, sees the suppression of foreign policy grievances from the top of the global hierarchy as the main source of instability leading to global warfare. For regionalists the greatest threat to a table world system is imposition of order by a superpower blind to the fact that a stable world system is one of interdependence among states with autonomous foreign policies. See Dorn, Charles F., *The Globalist-Regionalist Debate* in Schraeder, pgs. 56-57.

determinant of Carter's conclusion that the Sandinistas posed a threat to U.S. interests in Central America.<sup>70</sup>

Labeling the Sandinistas a threat to U.S. interests (*Proposition 1, 11, and 12*), Carter sought to prevent the collapse of the Somoza Debayle government. Carter's efforts were neither facilitated by his policy inconsistencies, such as the termination of aid in 1977 and the subsequent reincorporation of military aid in 1978, nor by lambasting Somoza Debayle and the National Guard in 1977 for human rights abuses only to afterwards praise them for the progress in resolving these concerns.<sup>71</sup>

The twilight hours of the Somoza Debayle government are characterized by frantic efforts by a Carter White House obsessed on saving some pro-United States vestige of the government. While Carter's efforts to prevent a Sandinista victory are taken to stave off the establishment of a Soviet foothold in Central America (*Proposition 1*), by this juncture the only options open were acquiescing to a Sandinista victory or armed intervention to reinforce the despised Somocista National Guard.

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<sup>70</sup> The globalist perspective eventually dominated President Ronald W. Reagan's (1981-89) interpretation of the Sandinistas as being a radical revolutionary regime conspiring with the Soviet Union to export revolution to their neighbors. The globalist logic required the United States to counter Latin American revolutionary movements or otherwise face the likelihood of seeing pro-American regimes in Central and South America, and possibly the United States, succumb to communism. See, Schraeder, Peter J., *Studying U.S. Intervention in the Third World*, in Schraeder, pgs. 10-12.

<sup>71</sup> Carter sends a letter dated June 30, 1978, to Somoza Debayle praising him and the National Guard for the progress made in addressing human rights concerns and democratic initiatives at a time the State Department continued to receive reliable confirmation of continued violations of the aforementioned. See, Sklar, Holly, *Washington's War on Nicaragua*. Boston, MA: South End Press, 1988, pgs. 15-16. While indications are that Carter intended that the letter remain private, Somoza Debayle under mounting pressure from the civilian opposition and the Sandinistas saw the letter as a sign of continued, unequivocal United States support for his government. See, Cottam, Martha L., in "The Carter Administration's Policy toward Nicaragua: Images, Goals, and Tactics," in *Political Science Quarterly*, Volume 107, Number 1, (Spring 1992), pg. 123.

United States military intervention was, however, ruled out. Unlike the situation in the past, strong Latin American resistance – emanating primarily from Venezuela, Panama, and Costa Rica – precluded the Carter administration from intervening militarily. Latin American resistance was significant enough as to preclude an American intervention even under the auspices of the Organization of American States (OAS).<sup>72</sup>

Despite the Carter administration's attempts to prevent the disintegration of the Somoza Debayle government, events escalated out of control. While Carter and his cabinet remain directly involved in setting foreign policy based on strategic considerations (*Propositions 5 and 6*), the diverging perceptions of the threat posed by the ramifications of a potential (Marxist-oriented) Sandinista victory by Congress seems to have hampered the administration's efforts. Congress becomes divided between the pro-Somoza lobby which interpreted a Sandinista victory as a catastrophic change of events foreshadowing the possibility of greater Soviet involvement in the Americas (*Proposition 12*), and more liberal members of Congress who called on Carter to require that Somoza Debayle meet human rights obligations.

Conflicting policy objectives, a volatile mix of post-Watergate politics, and congressional legislation requiring annual reporting by the U.S. State Department on Managua's adherence to human rights, all hampered effective foreign policymaking. The responses of the United States to the Sandinistas and the Somoza Debayle government became bogged down not only by inter-agency conflict as represented by the Brzezinski-Vance split on the nature of the Sandinista threat, but also were stymied by intra-agency

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<sup>72</sup> By February 1979 the FSLN was openly receiving moral and material support from key states in the Central American region, which opposed another OAS sanctioned U.S. intervention like the 1965 Dominican Republic intervention. See, Woodward, pg. 262.

conflict (*Proposition 9*) within the U.S. State Department, further impeding the crafting of a unified strategy. These factors represent the failure of strategic considerations and private interests to overcome bureaucratic considerations (*Proposition 10*).

Illustrating the extent of intra-agency conflict is the situation that confronted Patricia Derain, as the U.S. State Department's Human Rights bureau chief. Derain had to ascertain whether Nicaragua was complying with human rights requirements and report back to Congress, and had to deal with dissention among desk officers. Desk Officers, responsible for the day-to-day relationships with foreign officials, often downplayed human rights violations believing that the continuation of aid would be more helpful than its termination in forcing compliance from violators.<sup>73</sup> Leogrande argues that desk officer's reluctance to press Nicaragua on human rights was also shared by the U.S. State Department's Latin American Bureau, where Assistant Secretary Terence Todman was skeptical of the effectiveness of the emphasis placed on human rights as a driver of U.S. foreign policy in Latin America.<sup>74</sup>

What tipped the scales for the Carter administration to adopt a conciliatory policy toward the Sandinistas is the Somoza Debayle government's January 10, 1978, assassination of (Liberal party) Pedro Joaquín Chamorro. The assassination of the

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<sup>73</sup> Ibid. pg. 211.

<sup>74</sup> Todman was of the opinion that not much good would come from Carter's human rights policy. On the contrary, Todman and his staff determined that much of Somoza Debayle's difficulties and the advances being made by the Sandinistas were the consequence of such an ill-conceived policy that ultimately would only contribute to undermine the U.S. position. Todman's stance on the issue is mirrored by the Pentagon which considered the suspension of military aid as punishment for human rights violations an inadequate means for achieving policy objectives. See, Leogrande, pg. 19.

strongest proponent of democracy and leader of the anti-Somoza opposition ultimately influenced Carter's decision to seek accommodation.<sup>75</sup>

At the same time, the Sandinistas incessantly whittled down what little remained of Somoza Debayle's legitimacy. The FSLN seizure (August 22, 1978) of the Nicaraguan National Palace sealed the fate of the regime.<sup>76</sup> The Sandinistas wrestled a massive ransom in exchange for the release of 1,500 bureaucrats and Congressmen from the government.<sup>77</sup> The Sandinistas' act of defiance put Somoza Debayle's ability to provide security into question and undermined the National Guard's morale. Somoza Debayle's legitimacy was further eroded since his government could no longer claim sole control over the use of force in the country. At this point, the Sandinistas transitioned from being an armed insurrection with a limited constituency to becoming a contending pole of political legitimacy for a significant portion of the national population.

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<sup>75</sup> Chamorro's assassination favored the political position of the Sandinistas by removing their strongest (democratic) rival for legitimacy. Chamorro's murder at the hands of the Somoza Debayle government insiders simultaneously highlighted the government's ruthlessness and its repressiveness. Building on the success of the October 1977 FSLN offensive, the Sandinistas adeptly exploited Chamorro's assassination to catalyze mass popular support for anti-Somoza Debayle demonstrations. The Sandinistas by this point seized the initiative and took ownership of the anti-Somoza Debayle mass movement. In achieving this outcome, the Sandinistas assured their ultimate political and military victory over Somoza Debayle by successfully persuading a significant portion of the Nicaraguan national population to outright switch its allegiance away from the Somoza Debayle government to the Sandinistas, or to at the least not challenge the FSLN bid for political power in its quest to oust the Somoza Debayle government.

<sup>76</sup> The audacity of Edén Pastora, also known as Comandante Cero, in seizing the National Palace captured the popular imagination and allowed the Sandinistas to grab control of the anti-Somoza struggle. Thousands of Nicaraguans lined the streets to cheer Pastora, his guerillas, and the fifty-nine freed political prisoners as they made their way to the airport for their flight to Panama. See, Leogrande, pg. 20.

<sup>77</sup> Somoza had no recourse but to agree to the FSLN's demands which included the release of sixty FSLN guerrillas from prison, media dissemination of an FSLN declaration, a \$500,000 ransom, and safe passage for the hostage takers to Panama and Venezuela. The success of the FSLN raid humiliated Somoza Debayle and tarnished the image of the National Guard. See, Merrill, Tim, ed., *Nicaragua: A Country Study*. Washington, D.C.: GPO for the Library of Congress, 1993.

The Carter administration viewed the deterioration of the situation as constituting a political-security crisis with significant implications for U.S. interests.<sup>78</sup> Carter, in what turned out to be a futile attempt to prevent a Sandinista victory, lobbied regional allies for support of a U.S.-led OAS intervention. Opposition built against the Carter initiative since it became identified as a U.S. plan for generating regional consensus and the imprimatur of legality for preventing a Sandinista victory.

The collapse of the Somoza Debayle government, and the inability of the United States to impose a constitutionalist resolution to the crisis or its will on the OAS, was the result of a number of factors: 1) a Sandinista victory could not have been possible had the U.S. Congress supported the Carter administrations' attempts to shore up the Somoza Debayle regime; 2) a Sandinista victory could have been averted had the Carter administration's policies toward Nicaragua been less contradictory from the onset, and; 3) adoption of the Vance-Young regionalist assessment of the origin of the Sandinista revolution coupled with less policy uncertainty could have paved the way for Somoza Debayle's graceful exit from power via a managed constitutional succession favoring U.S. interests. As such, Leogrande believes that the interplay of forces not only within the executive branch (*Proposition 9*), but also between the branches, resulted in a failed policy of bureaucratic compromise that deemphasized strategic interests (*Proposition 10*).<sup>79</sup>

The Somoza Debayle government undermined its own position by continuing to foment an aura of invulnerability in the National Guard. The Somoza Debayle

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<sup>78</sup> Sklar, pg. 16.

<sup>79</sup> Leogrande, pg. 20.

government members' own belief about their unaccountability is captured by the on-camera execution (June 19, 1979) of American Broadcasting Corporation (ABC) correspondent Bill Stewart. A foot soldier's non-orchestrated act of vindictiveness caught in the midst of a civil war galvanized the U.S. government to sever its support for the Somoza Debayle government.<sup>80</sup> As Jacqueline E. Sharkey indicates in "*When Pictures Drive Foreign Policy*," the American public's horror at the on-camera execution of Stewart forced Carter to disassociate the United States from Somoza Debayle, causing the government to fall (July 19, 1979).<sup>81</sup>

Table 8 summarizes the U.S. interpretation of the Sandinistas as rebels. It details how Carter addressed revolutionary change at a time of increased demands on the ability of the United States to anticipate and react to crisis. Table 8 shows the variables that Ronald W. Reagan's (R, 1981-89) administration inherited from Carter and how these influenced its perspective for confronting Latin American revolutionary change while contending with a Congress which viewed the Sandinista threat less ominously.

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<sup>80</sup> LaFaber cites infighting within the United States government as a factor of whether or not it would continue to support the Somoza Debayle administration. This infighting is consequently a key factor involved in the collapse of the Somoza Debayle government. LaFaber notes that while the Carter White House waffled on promoting a strong human rights policy with regards to Nicaragua, it nonetheless continued to supply the military aid that allowed the National Guard to remain a vehicle of repression for the Somoza Debayle government. At the same time, the Carter administration failed to provide the economic aid necessary to address the socio-economic factors fueling the Sandinista claim to revolutionary legitimacy. Ibid., pgs. 230-232.

<sup>81</sup> Sharkey finds that graphic footage such as the Stewart execution can spark widespread national debate about the political and ethical implications of those pictures. Such debate highlights the media's influence on U.S. foreign policymaking. The media's usage of dramatic images can significantly influence public and congressional opinion by oversimplifying complex issues. See, Sharkey, Jacqueline E., in "*When Pictures Drive Foreign Policy*," in *American Journalism Review* (December 1993), accessed April 1, 2008, <http://www.ajr.org/Article.asp?id=1579>. See also, United States Department of State, (Appendix 4), Incoming Telegram – American Embassy Managua, "Somoza the First Visit," Number 2857 (June 1979), accessed April 6, 2008, <http://www.gwu.edu/~nsarchiv/nsa/publications/nicaragua/nidoc1.html>.



**Table 8 - Applying Blasier's Propositions to the United States Government's (USG) Action in Dealing with the FSLN as Revolutionaries**

<b>Proposition</b>	<b>Explaining USG Action</b>
<b>Number 1</b>	USG became hostile toward the Sandinistas once Carter interpreted the Sandinistas as forming part of the greater Cold War struggle between the United States and Soviet Union. Carter's National Security advisor significantly influenced the President's interpretation of the Sandinistas as constituting a political-security threat to the United States given the FSLN Marxist-oriented proclivities and its links to the Soviet Union and Cuba (globalist perspective).
<b>Number 5</b>	Strategic considerations primarily impacted the Carter administration's outlook toward the Sandinistas as a rebel movement on the verge of seizing political power.
<b>Number 6</b>	The USG foreign policy response toward the Sandinista rebels was characterized by significant involvement by Carter. Carter determined that the United States needed to block potential Soviet and Cuban adventurism in Central America.
<b>Number 9</b>	USG responses involved intra-agency conflict (i.e. internal State Department turf fighting over the applicability of human rights as a driver of U.S. foreign policy). Bureaucratic considerations will condition USG response.
<b>Number 10</b>	Ultimately strategic considerations determined by the Carter White House, and not bureaucratic considerations, condition the USG response. U.S. State Department concerned over human rights violations remain a concern but take on secondary importance when considered in light of the strategic threat a communist beachhead would entail (globalist interpretation). State Department's concerns with human rights violations also became subsumed in intra-agency struggles for preeminence.
<b>Number 11</b>	Although Carter's response to the Sandinistas was not as blatant as that of Reagan, he does nonetheless attempt to forestall the collapse of the Somoza government since it could be interpreted by the Soviet Union as an invitation to contest U.S. hemispheric political primacy.
<b>Number 12</b>	Carter and his cabinet shaped policy toward the Sandinistas, but Congress and mid-level diplomats also influenced policies.

Source: Blasier, 1985, pgs. 236-237.

### **CASE STUDY NUMBER 3: THE SANDINISTAS AS THE RULING PARTY**

#### **Interpreting the Sandinista Government Threat: Blasier's *Proposition 3, 4, 5, 6, 10, and 12* as applied to Carter's Evaluation of the Sandinistas in Power**

Strategic considerations, namely the inability to garner support from the Latin American countries for an OAS-sanctioned U.S. intervention to reinforce the Nicaraguan National Guard, convinced Carter to seek accommodation with the Sandinistas.

Carter and his advisors concluded that a constitutional succession, or “*Somocismo without Somoza*,” acceptable to the majority of Nicaraguans could not be imposed by the United States. Carter had to adopt a conciliatory position towards the FSLN (*Proposition 3*) by acceptance of the evolved dynamics of the U.S.-Nicaragua relationship and the conviction that U.S. capabilities could not guide an outcome that could sideline the Sandinistas.<sup>82</sup> Despite lingering concerns over the Sandinistas’ leftward proclivities, the Carter White House recognized the new (revolutionary) government (Government of National Reconstruction – *Gobierno de Reconstrucción Nacional* - GRN) hoping to forestall a further leftward drift.

LaFeber indicates that the Carter administration, through the mediation efforts of U.S. envoys William Bowdler and Lawrence Pezzullo, did seek to extract three key concessions from the Sandinistas: 1) that the FSLN forgo retaliatory mass killings of National Guardsmen and other Somocistas in retribution for their excesses and that the U.S. Embassy and Americans be spared the ire of revolutionary mobs; 2) that the GRN enlarge its five-person governing junta (Sergio Ramírez, Alfonso Robelo, Violeta Barrios de Chamorro, Moisés Hassán, and Daniel Ortega) to encompass at least seven members by incorporating two more moderate members, and: 3) that elements of a purged Nicaraguan National Guard be incorporated into the new government.<sup>83</sup>

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<sup>82</sup> Ambassador Pezzullo had crafted a face-saving transition between the remnants of the Somoza Debayle government and the Sandinista-led Provisional Government. However (Nicaraguan) Congressman Francisco Urcuyo, Somoza Debayle’s successor, instead of turning power over immediately to the Provisional Government declared his intentions to stay in office. According to Leogrande, this last act of the Somoza Debayle era came to an abrupt end when the latter called Urcuyo from Miami and told him in no uncertain terms to resign. Somoza Debayle feared being deported back to Nicaragua if Urcuyo refused to comply. See, Leogrande, pgs. 26-27.

<sup>83</sup> See, LaFeber, pgs. 235-237.

While the Sandinistas did acquiesce to not execute guardsmen, and never organized the sort of anti-American protests that led to the seizure of the U.S. Embassy in Tehran following the Shah of Iran's downfall (February 11, 1979) and resulted in the hostage crisis of November 4, 1979 to January 20, 1981, they only partially met the U.S. mediators' second demand and refused to consider the third demand outright.<sup>84</sup>

Although Carter and the Sandinista-led government sought to avoid a repetition of the events that pushed Castro into the Soviet camp in the early 1960s, the timing of the success of the Sandinista revolution within a period of heightened U.S.-Soviet distrust and international instability precluded reconciliation.<sup>85</sup> Had the Sandinista government adopted policy objectives geared to reassuring Washington by placating concerns raised by the old pro-Somoza lobby in Congress and other staunch anti-communists both in and outside of government – namely assurances that the new Managua regime would be free of outside (i.e., Soviet and Cuban) influence – then possibly a different sort of relationship could have resulted (*Proposition 4*). Sandinistas' intransigence on expanding the junta's membership to include additional moderate elements and their embrace of the

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<sup>84</sup> While the demand that the five-person junta be expanded to at least seven people was rejected based on the Sandinistas' assertion that the same already represented a broad-based group, they did form an eighteen-member "Cabinet" which only contained one Sandinista representative with the other members coming from business and professional groups. On the third demand there was no compromise possible that would have allowed elements of the National Guard to be integrated into the new government. *Ibid.*, pg. 236.

<sup>85</sup> To put things in perspective while the FSLN insurgency in Nicaragua was posed to wrestle political control of the country away from the longtime U.S. ally government of Somoza Debayle, the United States was denouncing the Soviet Union for the invasion of Afghanistan and for a number of other evils such as supporting a proxy war in Ethiopia, using Cuban troops in Somalia, and supporting the Vietnamese invasion of Cambodia. The Cold War characteristics of the Carter presidency are best typified by diminished trade relations with the Soviet Union, human rights proclamations against Moscow, improved trade ties with Beijing, the Carter proclamation, and the boycott of the 1980 Olympics. See, Leonard, Thomas M., "Central America: A Microcosm of U.S. Cold War Policy," in *Air University Review* (July-August 1986), accessed April 20, 2008, <http://www.airpower.maxwell.af.mil/airchronicles/aureview/1986/jul-aug/leonard.html>.

Soviets and Cubans as kindred revolutionaries provided Carter's Nicaragua policy critics (Democrats and Republicans alike) with justifications to keep Nicaragua in the spotlight.

What is often forgotten, or subsumed within the criticism of Carter's idealistic human rights policy, is that Carter did adopt realistic and constructive policies for dealing with the Sandinista government. Carter's policies for dealing with Managua avoided overestimating actual U.S. capabilities at a time of heightened international instability and prevented a further radicalization of the Nicaraguan revolution that could have rapidly morphed into a second Cuba (*Propositions 4, 5, and 6*).<sup>86</sup>

The Carter administration sent \$20 million in aid to Nicaragua immediately after the Sandinista triumph, evidence that the United States sought to adopt a conciliatory, realistic posture toward the Sandinista-led government despite congressional opposition. Similarly, the Carter White House requested an additional \$80 million aid package for Central America, of which \$75 million were earmarked for Nicaragua from Congress (September 1979).<sup>87</sup> However, congressional opposition to Carter's aid initiative remained strong at the same time Carter sought to demonstrate to the Sandinistas and other like-minded governments that the United States could now "respond positively to revolutionary change in Latin America."<sup>88</sup> The House of Representatives hampered

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<sup>86</sup> For a detailed description of congressional opposition to Carter's attempts to seek rapprochement with the Sandinista-led Provisional Government, especially as it relates to approving foreign packages, see Leogrande, pgs. 31-32.

<sup>87</sup> Note \$20 million in 1979 is about \$57.1 million in 2007 dollars using the consumer price index, while \$80 million is equivalent to more than \$228.5 million. Also note that the \$75 million in aid for Nicaragua proposed by the Carter administration accounts for approximately \$214.2 million in 2007 dollars. For computing the relative value of the U.S. dollar in 1979 to 2007 (last year of full annual data for initial and target year) using the consumer price index, accessed, August 9, 2008, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.

<sup>88</sup> LaFeber, pgs. 240-241.

Carter's radical change of course by imposing onerous conditions on the White House and the Sandinistas in exchange for the funding request.<sup>89</sup>

Carter's pragmatic efforts at establishing a constructive relationship with Managua (*Proposition 3, 4, 5, 6, 10, and 12*) were further undermined by Nicaragua's accession to the Non-Aligned Movement, thus fueling conservatives' criticism of Carter's policy. The Sandinistas' declared intent to forgo dependence on a particular economic development model (e.g., capitalism or communism in favor of a mixed economy), while at the same time seeking to pursue a foreign policy independent of both the United States and the Soviet Union, became an irritant to U.S. foreign policymakers. A further focal point of concern was the Sandinista government's relationship with Soviet-backed Cuba – the Sandinista leadership's triumphant welcome in Havana following the ousting of Somoza Debayle did not make the new regime in Managua any easier to accept.

Managua's critical position on Washington's assistance to El Salvador, which was itself combating a leftist insurgency, further antagonized U.S. conservative critics of the Sandinistas. Additionally, the Sandinistas' unwillingness to support the U.S.-sponsored

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<sup>89</sup> The House of Representatives imposed no less than sixteen conditions on the aid request including the stipulation that at least 60 percent of the aid be earmarked for the private business sector. Furthermore, the House insisted that no funds be utilized for projects using Cuban personnel – this stipulation cut-off aid to health and education facilities. And ultimately, the House conditioned aid on obliging the Sandinistas to following not only high human rights standards, but also to holding elections in a reasonable period of time. As LaFeber indicates, the Sandinistas may have bridled at these conditions but they had no other choice but agree to them. Sandinista-led government realized that should the United States Congress withhold the aid package because of Managua's refusal to adhere to its terms, international bankers would be highly reluctant to provide the new government with the type of loans needed to rebuild a war-ravaged Nicaragua. The House and Senate ultimately passed the aid legislation in June 1980 in order to retain leverage over the Sandinistas out of fear that Managua was starting to turn increasingly to the Soviet Union for assistance much as Cuba had done in the 1960-61 period. *Ibid.*

United Nations resolution condemning the Soviet Union's 1979 invasion of Afghanistan stoked concerns about another Cuba taking root near the Panama Canal.

Nicaragua's unwillingness to adopt confidence-building measures to mitigate American unease over the course that the revolutionary government was charting handicapped Carter's 1980 reelection bid. Carter, waylaid by the Sandinista triumph, the Soviet invasion of Afghanistan, and the hostage crisis in Iran among other events, failed to survive Reagan's presidential bid. Once in office Reagan, unlike Carter, abandoned the previous administration's reactive posture and adopted a proactive, confrontational position to roll back Latin American (leftist) revolutionary gains.

Although the Sandinista revolutionary and the Chávez reformist governments share certain ideological similarities and a common history in seeking to break their respective countries' ties of political-economic dependence on the United States, they nonetheless portray differences. The Sandinista government and Chávez part ways in terms of retaining key financial link to the United States. The Sandinistas opted to follow Castroite Cuba's (pragmatic) advice to maintain a large private business sector and retain as many ties as possible to United States funding – the Cuban policy recommendation explains why Managua was willing to adhere to the terms of the June 1980 U.S. aid package. Chávez, controlling the largest known petroleum reserves outside of the Middle East today, is not similarly handicapped and thus can chart a vastly different course of action than a war torn, and economically vulnerable Nicaragua.

LaFeber graphically illustrates Managua's inability to sever ties to the United States by its willingness to abide by onerous U.S. congressional aid requirements and by highlighting the Sandinistas' adoption of a business-friendly posture which limited

nationalizations largely to the expropriation of the Somoza family's holdings.<sup>90</sup>

Furthermore, the junta's willingness to block radical (Nicaraguan) union members' disruptive strikes helped to convey to American multi-nationals with operations in Nicaragua (i.e., the Coca Cola Company, United Brands, and Standard Fruit) assurances that their interests would be respected. Such action by any government, and especially a revolutionary one, reassures the international financial community that the government could borrow vital reconstruction and development funds.<sup>91</sup>

The foregoing serve as key examples of the factors that characterize Blasier's *Propositions 4 and 5*, whereby the Sandinista-led government signaled to the United States its willingness to abide by international norms that are neither politically disruptive within the region or threatening to U.S. interests. The Nicaraguan situation contrasts with Chávez's politically popular, but financially reckless, acts of withdrawing the Venezuelan national oil company's American Depository Receipts (ADR), under investing in critical petroleum and electricity generating infrastructure, and politically motivated nationalizations.

With such sharp contrasts in mind, what explains the turn of events that drove elements within the Congress to stymie Carter's policies of positive engagement? And as a transition to the next section, what convinced the succeeding Reagan administration that the Sandinistas not only had links to the Soviets, but that these links constituted a political-military threat to the United States despite Managua's reassuring messages and overall weakness?

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<sup>90</sup> LaFeber, pgs. 238-239.

<sup>91</sup> Ibid.

The preceding points are significant in light of U.S. Ambassador Pezzullo's testimony before Congress. Pezzullo, subscribing to a regionalist-centric perspective, and denigrated by the incoming Reagan administration, testified to Congress in the aftermath of his mediation efforts with the Sandinistas that the FSLN was a Nicaraguan phenomenon. Pezzullo argued that Sandinismo and the Sandinistas were not ideologically linked to Cuba's Fidel Castro, stating:

“It is very much a Nicaraguan phenomenon. There is no question about that. Sandinismo, whatever its opportunities ought to be, is a Nicaraguan homegrown movement. Sandino predates Castro. He was a man; he lived. So there is no reason to believe they are going out and borrow from elsewhere when they really have something at home. The nature of this thing is such that you have to see it take its own form, rather than make prejudgments [*sic*] about.”<sup>92</sup>

While Pezzullo's testimony could have serve as a road map for the incoming administration, its regionalist perspective was ignored by the Reagan White House which favored viewing events through the globalist prism of the East-West struggle.

### **Interpreting the Sandinista Government Threat: Blasier's *Propositions 3, 11, and 12* as applied to Reagan's Evaluation of the Sandinistas in Power**

Reagan entered the White House intent on rolling back the threat posed by the Soviet Union's brand of expansionist and interventionist communism. As Beth A. Fisher indicates in *“Toeing the Hardline? The Reagan Administration and Ending the Cold War,”* Reagan viewed the Soviet Union's expansionism and interventionism as being the main threat to world peace and by extension a threat to the security of the United States.<sup>93</sup>

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<sup>92</sup> Ibid. pg.,239.



Expansionism is defined in terms of Soviet “imperialistic” behavior, while interventionism is viewed in terms of the Soviet Union’s “unconstructive involvement, direct and indirect, in unstable areas of the Third World.”<sup>94</sup>

Reagan’s interpretation of the Sandinista threat potential (*Proposition 3, 11, and 12*) is the result of the globalist perspective combined with what he and other conservatives saw as the disaster-prone political and military ramifications of Carter’s human rights policy that forced reform on moderate, pro-United States (anti-communist) autocrats during a time of superpower confrontation. Reagan and other conservatives concluded that Carter’s policies undermined U.S. hemispheric primacy and jeopardized national security. For example, Reagan and his advisors lamented what they considered to have been the Carter administration’s “giveaway” of the Panama Canal and were troubled by Carter’s casting off anti-communist allies in Latin America precisely when the Soviet Union was challenging the United States for global leadership.<sup>95</sup>

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<sup>93</sup> Fisher cites Reagan’s Secretary of State Alexander Haig’s (1981-82) early pronouncements on the nature of the Soviet threat in terms of Moscow’s desire and withal to “promote violent change throughout the globe, especially in areas of vital interest to the West.” Haig argued that “Moscow is the greatest source of international security” and that the “Soviet promotion of violence as the instrument of change constitutes the greatest danger to world peace.” See Fisher, Beth A., “Toeing the Hardline? The Reagan Administration and the Ending of the Cold War,” in *Political Science Quarterly*, Volume 112, Number 3 (Autumn 1997), pg. 478, accessed May 20, 2008, [http://www.transatlantic.uj.edu.pl/upload/59\\_f9a5\\_Fischer.Reagan.end.CW.pdf](http://www.transatlantic.uj.edu.pl/upload/59_f9a5_Fischer.Reagan.end.CW.pdf).

<sup>94</sup> In 1983 Secretary of State George Schultz (1982-89) testified before the Senate Foreign Relations Committee that the Soviet Union’s “unrelenting efforts to impose an alien Soviet model on foreign countries threatened American security.” *Ibid.* pg. 478.

<sup>95</sup> In our system of divided government, and in an era that lacks consensus on foreign policy direction and issues, the President must still nonetheless seek the approval of the Senate whose constitutional responsibility is to give its advice and consent by approving or rejecting treaties. Nowhere is this more evident than in the case of the Panama Canal treaties where the Senate leadership played a prominent role. Despite the Reagan White House criticism of the Carter administration’s handling of the Panama Canal’s return to Panamanian control, (Republican) Senate Minority Leader Howard Baker (R- Tennessee, 1967-85) working with (Democratic) Senate Majority Leader Robert Byrd (D – West Virginia, 1959 to present) played prominent roles among the treaties’ proponents by helping head off situations that could have prevented the passage of the treaties. See, Furlong, William L., and Margaret E. Scranton. *The Dynamics*

Reagan entered the White House distrustful of the Soviet Union and its proxies in Latin America. Prior to his election, Reagan promised that he would roll back Soviet expansionism and interventionism worldwide. He was influenced by the “*Report of the Committee of Santa Fe*,” which reaffirmed his convictions that U.S.-Soviet *détente* was dead and that the containment of the Soviet Union was no longer sufficient to guarantee the survival of the United States.<sup>96</sup> Reagan’s Latin American policies, while influenced by the *Santa Fe Report* and its alarmist findings indicating that the Caribbean Basin was becoming a “Marxist-Leninist lake” exposing the southern flank of the United States, chose to selectively apply its recommendations.<sup>97</sup>

While the Carter administration aimed to accommodate the Sandinistas (*Proposition 3 and 4, conciliatory*), the Reagan administration immediately sought to suppress (*Proposition 3 and 4, suppressive*) the Sandinista government because of what a globalist-focused White House perceived to be Managua’s growing links to the Soviet Union through Moscow’s Cuban proxy (*Proposition 11*). In the same light Reagan also opted to continue the containment of Cuba because of the island’s well-established links to the Soviet Union (*Proposition 3, 11, and 12*). However, at the same time, the Reagan administration did nonetheless seek to improve relations with neighboring Mexico, one of Havana’s traditional allies, as a means of safeguarding what the White House saw as a vulnerable southern flank (*Proposition 10*).

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*of Foreign Policymaking: The President, Congress, and the Panama Canal Treaties*. Boulder, CO: Westview Press, 1984, pgs. 151-152.

<sup>96</sup> Leogrande, pg. 55.

<sup>97</sup> Smith, Joseph. *The United States and Latin America: A History of American Diplomacy, 1776 – 2000*. New York, NY: Routledge, 2005, pg., 149-150, [http://books.google.com/books?id=HE-7RmBozI8C&pg=PA150&lpg=PA150&dq=kirkpatrick+santa+fe+report&source=web&ots=jsl0gOeC9M&sig=SkAWnSl2\\_RZp0vju0cB65mNdaOU&hl=en#PRA1-PA152,M1](http://books.google.com/books?id=HE-7RmBozI8C&pg=PA150&lpg=PA150&dq=kirkpatrick+santa+fe+report&source=web&ots=jsl0gOeC9M&sig=SkAWnSl2_RZp0vju0cB65mNdaOU&hl=en#PRA1-PA152,M1).

The Reagan administration concluded that the Sandinistas, as a revolutionary movement, was representative of all Latin American revolutionary movements.<sup>98</sup> The Reagan White House believed that the Sandinistas, and by extension all Latin American revolutionary movements, were not just ideologically aligned with the Soviet Union but more alarmingly were influential instruments of Soviet interventionism. This sort of “profiling” negated the possibility that Latin American revolutions could be the result of purely local factors and or even be nationalistic expressions of their political outlook and objectives.

Today the prevailing consensus in Washington is that Chávez’s brand of populism can only be replicated by states that possess significant natural resources or other forms of wealth. Chávez-style populism is dependent on popular backing that can be bought through the adoption of redistributed economic policies and increased social spending. The export of Chávez’s brand of populism is also hampered by the nonexistence of an extra-hemispheric rival of the United States that can protect such revolutionary states.

### **Reagan Rolling Back Soviet Interventionism: Pursuit of Victory in Central America**

As Leogrande adroitly characterizes the mood in the Republican camp, “a victory in Central America would be Reagan’s first foreign policy success and its ramifications would be global.”<sup>99</sup> Reagan’s resolve to defeat what conservatives saw as Soviet

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<sup>98</sup> While the Reagan administration obsessed over the potential for Soviet interventionism in Central America and within the Caribbean Basin facilitated by the Sandinista and Castro regimes, at the same time it opted to leave South America often to its own devices. The Reagan White House’s disinterest in South America is itself in many aspects a throwback to a similar policy position taken in the 1950s by Eisenhower’s administration. The Reagan White House instead makes Nicaragua in Central America the focal point for the administration’s overall Latin American foreign policy strategy.

interventionism in Central America was meant to send Moscow the message that the United States would no longer tolerate Soviet expansionism in Asia, much less interventionism in Latin America as had been the case during the Carter presidency. The intent to demonstrate to Western European allies that Washington was again firmly committed to exercising global leadership was equally important to Reagan.<sup>100</sup> The White House aimed to score political victories across the board, at home over the Democrats that had backed Carter's failed human rights policies and abroad against the Soviets, their Cuban proxy, and their Sandinista friends.<sup>101</sup>

For the Reagan White House, the Sandinistas were linked to Soviets via Havana. The Managua-Havana-Moscow linkage implied that that Soviet Union was pursuing a non-constructive interventionist policy in the Central American region. Soviet interventionism had to be confronted and Managua's links to Moscow severed. Reagan and his advisors determined that suppressing the Managua government was the most effective means for rolling back overall Soviet influence in the western hemisphere (*Proposition 6, 11, and 12*). Robert McFarlane, Reagan's National Security Advisor (1983-85), lectured Congress that the United States could ill afford not to intervene in Central America since if it failed to do so, Washington's credibility to dictate terms

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<sup>99</sup> Leogrande, pg. 81.

<sup>100</sup> Ibid.

<sup>101</sup> Reagan's reasoning on Nicaragua was deeply influenced by Jeane Kirkpatrick's writings on the Carter administration's foreign policy failings in the lead up to the 1980 election. Kirkpatrick's conservative writings helped confirm candidate Reagan's beliefs that the Sandinistas were a radical Latin American revolutionary movement aided-and-abetted by Soviet-backed Cuba conspiring with the Kremlin to undermine the United States and its traditional hemispheric leadership. As the newly elected President, Reagan made no qualms about confronting the Sandinistas given his strong belief that the Nicaraguan government was already an agent of Moscow's intent on helping to establish a Soviet foothold on the Central American mainland (*Proposition 3*).

elsewhere in the Third World would have been compromised.<sup>102</sup> Speaking for the Reagan White House, McFarlane reasoned that:

“If we could not muster an effective counter to the Cuban-Sandinista strategy in our own backyard, it was far less likely that we could do so in the years ahead in more distant locations. We had to win this one.”<sup>103</sup>

### **Suppressing the Sandinista Government: Totalitarians never Democratize**

Despite conservatives’ lambasting of Carter’s human rights policies, the Reagan administration made a point to unrelentingly press Managua on human rights concerns. Reagan and his foreign policy advisors reasoned that human rights were an expedient means for prodding the Sandinistas to acquiesce to U.S. policy objectives, while assisting to deflect potential (liberal) congressional criticism of U.S. interventionism.

The Reagan White House sought to build congressional support for the suppression of the Managua regime by highlighting the Sandinistas violations of human rights and their lack of commitment to democratic practices.<sup>104</sup> At the same time, the Reagan administration ignored the enforcement of human rights concerns in the case of friendly military regimes (i.e., El Salvador, Honduras, and Guatemala). Thus, in the case

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<sup>102</sup> See, Kornbluh, Peter, “Nicaragua” in *Intervening into the 1990s: U.S. Foreign Policy in the Third World*. Boulder, Co: Lynne Rienner Publishers, Peter J. Schraeder, editor, 1992, pg. 291.

<sup>103</sup> Ibid. pg. 291.

<sup>104</sup> J. Michael Waller indicates that Sandinista prisoners were occasionally mutilated (often skinned alive) prior to execution. Killing Sandinista opponents in the countryside at times included drawing-and-quartering individuals and then leaving them to bleed to death. Although inefficient, this technique was used by the Sandinista security forces, namely the Directorate General for State Security (DGSE). Also while Somoza Debayle had only one prison (Carcel Modelo), upon seizing power the Sandinistas expanded its size fourfold, built another twenty-two prisons, and reportedly operated twenty clandestine jails. See J. Michael Waller, “Tropical Chekists: The Sandinista secret police legacy in Nicaragua” in *Demokratizatsiya: The Journal of Post-Soviet Democratization*. (July 21, 2004) accessed May 30, 2008, [http://www.iwp.edu/news/newsID.126/news\\_detail.asp](http://www.iwp.edu/news/newsID.126/news_detail.asp).

of pro-United States regimes, the Reagan administration weighed the need of ridding the region of Soviet influence as being of greater strategic utility than coercing friendly autocratic regimes to respect moral issues such as human rights (*Proposition 3 and 10*).

Ultimately what shaped Reagan's opinions of the Sandinistas was Kirkpatrick's article "Dictatorship and Double Standards." Reagan concurred with Kirkpatrick's assessment that not only had Carter's human rights policies been ineffective, something which U.S. Ambassador Todman himself agreed with and used to challenge advocates of human rights at the U.S. Department of State, but more alarmingly these jeopardized the strategic interests of the United States.<sup>105</sup> Leogrande stresses that Kirkpatrick criticized Carter's policies not just because they accepted the inevitability of (revolutionary, anti-American) change in the Third World, but rather because Carter "simply lacked the will to resist malevolent changes fostered by our enemies."<sup>106</sup> As a result, Reagan's acceptance of Kirkpatrick's conclusions became a major driver of U.S. policies toward the Sandinistas.

While Carter may have sought to establish a constructive working relationship with the Sandinistas (*Proposition 3 and 4, conciliatory*) by extending U.S. aid and engaging the new government in exchange for its commitment to refrain from aiding neighboring revolutionary movements, the Reagan administration perceived the Sandinistas at best as driving Nicaragua headlong toward becoming a one-party Leninist

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<sup>105</sup> Kirkpatrick, Jeane J. "Dictatorships and Double Standards," in *Commentary* (November 1979), accessed May 1, 2008, <http://www.commentarymagazine.com/viewarticle.cfm/dictatorships--double-standards-6189>.

<sup>106</sup> See, Leogrande, pg. 54.

dictatorship.<sup>107</sup> Reagan viewed the Sandinistas as willing accomplices of the Soviets and their Cuban proxy's attempts to subvert Nicaragua's non-communist neighbors.

Reagan's belief of a link between the Sandinista and Soviet-backed Cuba intent on subverting neighboring pro-United States regimes convinced him to pursue a policy of suppression (*Proposition 3 and 4, suppressive*). Reagan terminated the previous administration's commitments to Managua to punish the Sandinistas.<sup>108</sup>

Reagan viewed the Sandinista government as the byproduct of an armed leftist revolutionary seizure of power. Reagan and other conservatives were convinced of the need to suppress the totalitarian-prone Sandinista regime because its cadres were incapable of evolving into democrats, nor for that matter could the Sandinista government be relied on to cooperate in installing a representative liberal democracy and abide by its workings if left to its own devices.<sup>109</sup> The Sandinista government's experiment with participatory democracy only served to further convince the Reagan administration that Managua and the political ideology of Sandinismo had to be

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<sup>107</sup> Namely that in exchange for continued U.S. aid the Sandinistas would not provide material support for the leftist insurgency in neighboring El Salvador.

<sup>108</sup> Reagan's conclusion that the Sandinistas-led government constituted a threat to the vital interests of the United States was premised not just by the Managua government's growing political-economic links to the Soviet Union (*Proposition 3*), but was also based on the belief that the Sandinistas were evolving towards one-party totalitarianism. Influenced by Kirkpatrick's assertion that traditional dictators are more moderate than radical leftwing revolutionaries, Reagan and his foreign policy advisors concluded that moderately authoritarian Latin American governments such as the one governing neighboring El Salvador could under the right conditions eventually evolve into western-style (pro-United States) democracies.

<sup>109</sup> Steve Hobden in his review of Katherine Hoyt's "The Many Faces of Sandinista Democracy," points out that the Sandinistas represent an interesting variation of the military/authoritarian transition to democracy model prevalent throughout Latin America. Citing Phillip Williams, Hobden indicates that in the case of Nicaragua, Sandinista rule represents a dual transition where a revolutionary vanguard that had overthrown an authoritarian regime experimented with a form of popular democracy only to peacefully succeed as a result of its own defeat in open and democratic elections. See, Hobden, Steve, in a review of Katherine Hoyt's "The Many Faces of Sandinista Democracy," in *H-LatAm* (May 1998), accessed May 18, 2008, <http://www.h-net.org/reviews/showpdf.cgi?path=29133896371283>.

combated. Sandinismo was seen as posing a threat to both U.S. security and business interests (*Proposition 2, 3, and 5*) in Nicaragua and in Central America.

The Reagan White House was certain that Cuba had manipulated Nicaraguan political-economic frustrations in the lead-up to Somoza Debayle's overthrow on behalf of the Soviet Union. The Sandinista overthrow of the Somoza dynasty, the leftist totalitarian proclivities of the succeeding Sandinista government, and links to the Soviet Union served as catalysts for the U.S. policy of suppression. In a repetition of similar past events with Zelaya, no Sandinista action short of capitulation to its domestic political opponents could have altered the Reagan administration's assessment (*Proposition 4*).<sup>110</sup>

Reagan's initial policy proposal for confronting Nicaragua's Sandinista-led government was to ramp up U.S. support for the Sandinistas' non-communist political-economic opponents. In early 1981, the Reagan administration requested \$35 million (equivalent to \$79.8 million in 2007) for economic aid to Nicaragua for FY1982, all of which was earmarked for the country's private sector. The Reagan administration sought to confront the Sandinista threat by strengthening Nicaragua's private business sector. The Reagan administration believed that by building-up Nicaragua's business sector, it could establish a non-violent line of defense against expanding Sandinista totalitarian proclivities in the short-term.<sup>111</sup>

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<sup>110</sup> This sort of reasoning comes across quite clear in the writings of Jorge Salaverry where he indicates that the "Sandinistas' promises are designed to present an image of flexibility and reasonableness while making few substantive moves toward democracy. The state of emergency, for example, which suspended a number of political and civil rights, can be re-imposed at any moment. Political activity, in any case, can be controlled easily by the Sandinistas through their broadly worded public security law." See, Salaverry, Jorge, "A U.S. Response to the Sandinistas' New Promises," in Executive Memorandum 186 (January 21, 1988), accessed May 30, 2008, <http://www.heritage.org/Research/LatinAmerica/EM186.cfm>.

<sup>111</sup> Note \$35 million in 1981 is about \$79.8 million in 2007 dollars using the consumer price index. For computing the relative value of the U.S. dollar in 1981 to 2007 (last year of full annual data for initial and



The Reagan White House moved beyond this initial policy by quickly abandoning any pretense at attempting to peacefully sway the Sandinista government away from pro-communist policies. Within three months of having assumed office Reagan ceased certifying (April 1, 1981) to the U.S. Congress that the Managua government was abiding by its agreement not to aid the Farabundo Martí National Liberation Front (FMLN) insurgency in neighboring El Salvador (*Proposition 4*). Managua's de-certification was indicative of the Reagan administration's intent to cut adrift any further pretense of peacefully weaning the Sandinistas off their Soviet-Cuban economic and diplomatic lifeline.<sup>112</sup>

As justification for the White House's action, Reagan administration officials cite the certitude that the Sandinista government had funneled 200 tons of military equipment to the FMLN. In doing so, the Reagan White House linked the Sandinista revolutionary government to the FMLN insurrection and to Soviet-Cuban interventionism in Central America. The Reagan administration asserted that a significant link between Managua, the FMLN insurrection, and Soviet-backed Cuba existed despite the fact that in 1980 the Defense Intelligence Agency (DIA) previously testified to Congress that El Salvador's (civil) war was "largely home grown," and that Cuba's role in the Salvadorian insurgency was much less prominent than it had been in Nicaragua's.<sup>113</sup>

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target year) using the consumer price index, accessed, August 9, 2008, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.

<sup>112</sup> Reagan's action forced the halt of the final disbursement of \$15 million (\$33.2 million) of the original \$75 million authorized by the Carter administration. See, Schoultz, pgs. 52-53. Also note that the \$75 million in aid for Nicaragua proposed by the Carter administration accounts for approximately \$208 million in 2006 dollars. For computing the relative value of the U.S. dollar in 1979 to 2006 (last year of full annual data for initial and target year) using the consumer price index, accessed, April 12, 2008, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.

The Reagan White House argued that the Sandinistas, themselves increasingly dependent on Soviet and Cuban assistance, were assisting the FMLN in its attempt to overthrow the pro-United States regime in San Salvador. As a result, Reagan approved National Security Decision Directive 17 in November 1981, which became the centerpiece of the administration's covert war against the Sandinistas (*Proposition 3*).<sup>114</sup>

### **The Sandinista Government Threat: National Security Directive 17 and Blasier's Propositions 3, 6, and 12**

In the lead up to National Security Directive 17, the Reagan White House had sought to cultivate congressional support for Nicaragua policy. Reagan and his foreign policy advisors argued to Congress that while a democratic transition had been possible following the downfall of the Somoza Debayle government in 1979, the Carter administration had failed to stop "a small Cuban-advised elite of Marxist-Leninists" from seizing control of the Nicaraguan state. Furthermore, thanks to Cuban assistance, the Sandinistas consolidated their hold on the state apparatus through the monopoly of force.<sup>115</sup> U.S. Secretary of State George P. Shultz's (1982-89) escalated the rhetoric advocating the suppression of the Sandinista regime's through reference to Nicaragua's leaders as "a handful of ideologues, fortified by their Cuban and Soviet-bloc military advisors" (*Proposition 6 and 12*) followed by, even more importantly, Reagan's own

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<sup>113</sup> By the beginning of the 1980s DIA had concluded that the Cubans, acting as the Soviets' surrogates, "are the driving organizational force behind the entire insurgency movement in area" of Central America. Schoultz, pgs. 51 and 55.

<sup>114</sup> Ibid. pgs. 53-54. Also see, The White House, "National Security Directive 17" (Appendix 5). Washington, DC, January 4, 1982, accessed May 26, 2008, <http://www.gwu.edu/~nsarchiv/nsa/publications/presidentusa/pddoc.html>.

<sup>115</sup> Statements to Congress made by Assistant Secretary of State Thomas Enders. See, Ibid., pg. 54.

acerbic tongue lashing of the Sandinista regime as representing “a communist reign of terror.”<sup>116</sup>

The accuracy of the claims by Reagan and his administration’s senior officials that political instability in Central America was due to the Soviet Union working through its Cuban proxy to undermine hemispheric stability was questioned by Congress. To counter congressional opposition early in the administration during the summer of 1981, U.S. Secretary of State Alexander M. Haig (1981-82) voiced that the Soviet Union had to show restraint and reciprocity in international relations if it wanted to engage the United States. Fisher indicates that Haig’s interpretation of the Soviet Union showing restraint implied the curtailment of Soviet interventionism.<sup>117</sup> As Haig indicated:

“The Soviet Union [to] cease and desist from instigating, supporting, and carrying out efforts to effect historic change by force, whether it be done through proxy or the direct involvement of Soviet forces.”<sup>118</sup>

Despite Haig’s quixotic attempt to build consensus in Washington for the need to adopt a harder approach with the Soviets by calling on Moscow to show restraint (*Proposition 12*), congressional doubts about the actual threat posed by the Sandinistas had already arisen as a result of the February 1981 release of the U.S. Department of State white paper “Communist Interference in El Salvador.”

The paper, conceived as a policy piece to build support for the Reagan administration’s calls for increased military aid to El Salvador, actually undermined the

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<sup>116</sup> Ibid. pg. 54.

<sup>117</sup> Fisher, pg. 480.

<sup>118</sup> Ibid. pg. 480.

administration's claims of link between Managua, the FSLM, and Soviet-backed Cuba.<sup>119</sup> The paper, in an attempt to draw similar conclusions to the development of events in Viet Nam, argued that the insurgency in El Salvador could not exist without the benefit of outside (Soviet-Cuban) support. The State Department paper portrayed events in El Salvador as a textbook case of outside aggression involving the Sandinistas and the Soviets and their Cuban proxy. Ultimately the paper's conclusions are refuted because of a number of deficiencies that Robert Kaiser of the *Washington Post* and Jonathan Kwitny of the *Wall Street Journal* found and made public.

The Reagan administration had made a number of the paper's supporting (captured) documents, which it argued constituted *prima facie* evidence for its claims, available to the press. The documents, in Spanish and many of unverified authenticity, were determined by the press to have been translated by the U.S. Department of State to distort the original context of them. The press found that U.S. Department of State's mistranslation emphasized greater Soviet and Cuban involvement than was the actual case.<sup>120</sup> The press as well as scholars such as James Petra's own "*White Paper on the White Paper*," showed that the State Department paper's data and reasoning was flawed and showed a bias by its authors to attribute responsibility for actions to outside forces when these actions were likely the result of indigenous forces.

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<sup>119</sup> See, U.S. Department of State, "Communist Interference in El Salvador," Special Report Number 80, (February 23, 1981).

<sup>120</sup> Schoultz quotes Wayne S. Smith's article "Dateline Havana: Myopic Diplomacy," in *Foreign Policy*, Number 48 (Fall 1982). Schoultz and Smith make the case that not only were the supporting documents mistranslated, but also the white paper suffered from a large number of unsupported inferences and especially the probability of forgery of some of the documents. For Schoultz and Smith, not only was the white paper an embarrassment of the administration attributable to poor research, but more importantly it revealed a dangerous determination to advocate a policy position not supported by actual facts. See, Schoultz, pgs. 60-61.

As a consequence, U.S. congressional distrust of the accuracy of the information being conveyed to it by the Reagan administration multiplied. For example, skeptical members of Congress requested copies of the actual documents used in the Reagan administration's briefings to Congress. In one particular case a member of the House Intelligence Committee went as far as to request actual copies of the documents used by the Reagan administration in a March 1982 CIA briefing.

The fact that the Reagan administration denied the congressional request, citing that "the intelligence sources and methodology used to collect this evidence are highly confidential in nature" and that "it would be impossible to release the information without jeopardizing those resources" did not help its case with Congress.<sup>121</sup> For Schoultz, the Reagan administration's reluctance to offer concrete evidence of direct and substantial Soviet-Cuban activity in Central America is proof that it did not exist.<sup>122</sup>

### **Interpreting the Sandinista Government Threat: Conclusions and Consequences**

The present section summarizes how the Reagan administration's conclusions about the threat posed by the Sandinistas differed from that of Congress.<sup>123</sup> The section highlights that Congress viewed the Reagan administration's position on the Sandinista threat as falling largely within the parameters of what Blasier would characterize as being a dysfunctional (*Proposition 14*) policy response. Where the Reagan White House saw the Sandinistas as a threat to U.S. security and hemispheric political leadership

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<sup>121</sup> Ibid., pg. 62

<sup>122</sup> Ibid., pg. 62.

<sup>123</sup> Interestingly enough the United States and Nicaragua's Sandinista-led government maintained diplomatic relations throughout the 1979-90 period.

(*Proposition 3, 6, and 11*), Congress saw the Managua regime merely as a nuisance.

Although there may have been potential for a threat to develop along the lines of greater Sandinista-Soviet-Cuban cooperation over time, the actual threat scenario was misconstrued or even overblown by the Reagan administration either in fulfillment of a campaign promise and or with the intent of applying its (successful) outcome to other areas of the third world.

Note that arguing against a significant Sandinista-Soviet-Castorite link was the low number of Soviet and Cuban military (300) and non-military (700) advisors. Nicaraguan President Daniel Ortega indicated that the number of advisors stationed in Nicaragua did not exceed 1,000 and that the Sandinistas were willing to dispense with these advisors if the Reagan administration agreed to end hostilities.<sup>124</sup> Although political (diplomatic), economic, and military ties between the Sandinistas, the Soviet Union, and Cuba did exist, Congress nevertheless concluded that there was insufficient evidence indicating a tangible threat to U.S. vital interests to the extent purported by the Reagan White House (*Proposition 13*). Actually, the Sandinistas declared their initial hope of breaking free of dependence on either superpower.

A Sandinista non-aligned position should have led, if not to full reconciliation with the United States, to at the least a modicum of acceptance (*Proposition 3, conciliatory*). Yet Reagan was convinced that there was a need to confront Soviet interventionist communism in Central America to retain hemispheric political hegemony (*Proposition 11*). The administration believed that failure to challenge the Managua-

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<sup>124</sup> The State Department asserted that the actual number was in excess of 2,500 military advisors. See, Lewis, Neil A., "Ortega May Weigh End of Soviet Aid," in *The New York Times*, (October 8, 1987), accessed May 30, 2008, <http://query.nytimes.com/gst/fullpage.html?res=9B0DEFDF133BF93BA35753C1A961948260>.

Havana-Moscow threat would jeopardize U.S. security and risked public political backlash for having failed to stop the threat posed by the spread of communism in Nicaragua (*Proposition 16*). Congress by now saw itself immune from such public backlash, because it realized that support for the Contra War and the commensurate possibility of renewed U.S. intervention overseas was unpalatable to an American electorate still agonizing over Viet Nam and the consequences of executive branch adventurism.

The combination of two main factors was driving congressional thinking about the inconclusiveness of the Sandinista threat and links to the Soviet Union: 1) concerns over the exorbitant cost of funding a covert war and; 2) mounting public disapproval of the Reagan administration's Central American policies aimed at retaining hemispheric political primacy (*Proposition 11*), which were increasingly seen as leading the United States down the path to eventual military intervention (*Proposition 3*).

In August 1983, Reagan appointed the National Bipartisan Commission on Central America to counter growing public objections to his administration's Nicaraguan policies. The Commission, chaired by former Secretary of State Henry Kissinger, reported its findings in January 1984, and concluded that longstanding political-economic conditions in the region were responsible for fomenting revolutionary tendencies. However, the Commission also found that the Soviet Union, working through Cuba and Nicaragua, was ultimately responsible for regional instability. To counter Soviet interventionism, the Commission recommended increased military aid (arms and military advisors) to strengthen the position of the pro-United States regimes in El Salvador, Honduras, and Guatemala as well as continued ample support for the Contras.

Congress, confronting a \$200 billion budget shortfall in 1984 (or more than \$399.1 billion in 2007 dollars) was leery of the costs to its membership if it approved any financially and politically costly foreign aid measure (*Proposition 12*).<sup>125</sup> Congress remained hesitant to authorize any foreign (military) aid measure that would reinforce deeply ingrained Latin American conclusions that the United States sought to reassert traditional leadership in the region by paternalistic means.<sup>126</sup> Despite congressional ill-feeling on the matter of funding the suppression of Nicaragua's Sandinista government (*Proposition 3*), which, although opposed by the U.S. government still retained full diplomatic relations with Washington, the Reagan White House continued its attempts to build consensus on Capitol Hill for support for its policy objective.

Why did Reagan's conclusions about the threat the Sandinista regime posed to U.S. vital interests diverge from those of Congress? Why did the Reagan White House become so obsessed with continuing to engage in counterrevolutionary activities against the Sandinistas that even after Congress terminated all direct and indirect aid to the Contras in October 1984, it risked a presidential scandal over illicit dealings with Iran to finance a covert war in Central America?<sup>127</sup>

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<sup>125</sup> Note \$200 billion in 1984 is about \$399.1 billion in 2007 dollars using the consumer price index. For computing the relative value of the U.S. dollar in 1984 to 2007 (last year of full annual data for initial and target year) using the consumer price index, accessed, May 30, 2008, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.

<sup>126</sup> LaFeber cites Senator Daniel Moynihan (D-New York, 1977-2001), who even as a staunch anti-communist, found it difficult to make the connection that the Soviets were responsible for Central American political-economic turmoil. Moynihan argued that the Commission failed to "produce any facts that show that the Soviet-Cuban bloc threatened U.S. interests in the region." Nowhere is congressional opposition made more evident than when Congress voted 84 to 12 against the Reagan administration's request for funding as proposed by the Commission. Even the "Republican-controlled Senate had no qualms about condemning the CIA's mining of Nicaragua's ports." See, LaFeber, pgs. 308-309.

<sup>127</sup> The Reagan administration sought to undermine the Sandinistas by means of the "Covert Action Proposal for Central America," (February 27, 1981). National security advisor Robert McFarlane made the



The foregoing questions are at the heart of the U.S. executive-legislative debate over which branch has the privilege of primary responsibility for foreign policymaking.

Table 9 helps to summarize how the Reagan administration sought to deal with the Sandinistas as the ruling party in Nicaragua.

<b>Table 9 - Applying Blasier's Propositions to the United States Government's (USG) Action in Dealing with the FSLN as a (Revolutionary) Government</b>	
<b>Proposition</b>	<b>Explaining USG Action</b>
<b>Number 2</b>	While the Carter administration sought to engage the Sandinista government, and these actually reciprocated by communicating to Washington their willingness to cooperate in safeguarding American business interests, the Reagan administration saw the expropriation of American holdings in Nicaragua as having an adverse impact on U.S. private interests.
<b>Number 3</b>	While the Carter administration saw some links between Managua and the Soviet Union and Cuba, its (pragmatic) strategic considerations convinced Carter to extend an olive branch to the Sandinistas. Reagan on the other hand saw the Sandinistas in the worst possible terms colluding with the Soviet Union and thereby negatively impacting American national security interests. Strategic considerations determined that the USG responses would be suppressive.
<b>Number 4</b>	The Reagan White House determined early on that the Sandinista government would not honor its agreements as evidenced by its involvement in supplying El Salvador's FMLN. The USG consequently sought to subdue any agreement with Managua since the White House determined that this was the best means of countering Soviet interventionism in Central America.

Source: Blasier, 1985, pg. 236.

case for "a multi-front approach short of direct military intervention." McFarlane argued that "the key point to be made now is that while we must move promptly, we must assure that our political, economic, diplomatic, propaganda, military, and covert actions are well coordinated." Kornbluh citing Pentagon manuals finds that this approach represented the "synergistic application of comprehensive political, social, economic and psychological efforts" short of overt military deployment by the United States. This policy allowed the White House to wage "total war at the grass-root level" without the sort of "domestic and international backlash that conventional war would provoke." See, Kornbluh, pg. 291. Increasingly blocked by Congress's hesitation to fund the covert war in Central America, the Reagan White House appealed to the public by lambasting Congress's lack of nerve and its willingness "to wash its hands of Central America much like Pontius Pilate." The Reagan White House sought to convince, if not threaten Congress to come over to its side by stoking fear in the public of the spread of communism (*Proposition 16*). The Reagan White House even went to the extreme of comparing Soviet interventionism in Central America to Nazi Germany's conquest of Europe during the Second World War (1939-45). See, LaFeber, 309.

Table 10 groups the bureaucratic and economic aspects of the Reagan administration's dealings with the Sandinistas as a revolutionary government.

<b>Table 10 - Applying Blasier's Propositions to the United States Government's Action in Dealing with the FSLN as a (Revolutionary) Government</b> (Grouped by Economic and Bureaucratic Explanations and Responses)	
<b>Proposition</b>	<b>Action Grouped by Relevance to Economic and Bureaucratic Explanations</b>
<b>Number 5</b>	Strategic considerations primarily impact the Reagan administration's outlook towards the Sandinistas government.
<b>Number 6</b>	The USG foreign policy response toward the Sandinista government is characterized by significant involvement by Reagan. Reagan largely determines that the United States needs to block potential Soviet and Cuban adventurism in Central America.
<b>Number 11</b>	Reagan's suppressive policies toward Nicaragua are meant to communicate to the Soviet Union that the United States retains hemispheric political primacy in the Americas.
<b>Number 12</b>	Reagan and his cabinet shape policy towards the Sandinista, but Congress also has input.
<b>Proposition</b>	<b>Action Grouped by Responses Evaluated and Impact</b>
<b>Number 13</b>	USG perceptions of German influence in Zelaya's Nicaragua are correct, however Soviet influence in Sandinista Nicaragua is exaggerated or incorrect. USG concerns over Cuban influence are somewhat correct.
<b>Number 14</b>	USG strategic responses in Nicaragua are dysfunctional.
<b>Number 16</b>	The U.S. public's perception that the USG has the obligation to check the spread of communism inculcates in U.S. leaders a fear of political repercussions if they fail to contain communism.
<b>Number 18</b>	The Reagan administration's suppressive policies polarized Nicaraguan society and radicalize opposition groups leading to the creation of a contra revolutionary situation.
<b>Number 19</b>	USG policies will generally not facilitate revolutionary governments' attempts to reduce their dependence on the United States.

Source: Blasier, 1985, pgs. 236-238.

During the Reagan administration the U.S.-Nicaragua relationship remained subject to congressional disagreement with the White House's belief of the existence of a Soviet-Sandinista link. Congress did not believe that Nicaragua was another Cuba. The Democratic-controlled House, as well as moderate Republicans in the Senate, held that Reagan's attempt to pressure the Sandinista regime was a greater threat to regional stability than the Sandinistas' ties to Moscow and Havana.

Congress concluded that Reagan's policies forced Managua closer to the Soviets and Cubans and is responsible for radicalizing the Sandinistas (*Proposition 18*). At the same time, Sandinista's attempts to obtain needed economic assistance and reconstruction aid from the West were blocked at the behest of the United States, leaving Managua with no alternative but to turn to the Soviet bloc for assistance (*Proposition 19*).

## **CHAPTER SUMMARY AND PRELUDE TO CHAPTER 5**

Chapter 4 has explored the executive-legislative debate regarding which branch of the U.S. government has the primary responsibility in the foreign policymaking process. Blasier's theoretical propositions have been applied to three specific cases where Congress influenced U.S.-Latin America policy before and during the Cold War. This discussion serves as the basis of analysis for the final two chapters of this study.

Chapter 5 will elaborate on the preceding arguments by shifting its focus to Bolivarian Venezuela as the first post-Cold War case study of U.S. reaction to Latin American revolutionary change. This chapter applies Cole Blasier's theoretical propositions to the review of U.S. foreign policymakers' interpretation and reaction to Chávez's brand of leftist-inspired revolutionary change.

In the process, the next chapter delves into the origins of Chávez's anti-Americanism and explores Venezuela's economic dependence and thus its vulnerability in the U.S.-Venezuela bilateral relationship. Chapter 5 also defines Chávez's revolutionary reforms and highlights the key areas where his government has stumbled and will likely stumble again in the future. The chapter analyzes Chávez's revolutionary agenda for Latin America and key areas of concern for Congress, such as U.S. energy security and the state of Venezuelan democracy. Chapter 5 concludes with an assessment of the threat that the Chávez government poses to the United States and the factors that limit its capability to contest U.S. regional leadership.

## CHAPTER 5 - CONFRONTING REVOLUTIONARY CHANGE IN POST COLD-WAR LATIN AMERICA: THE CASE OF BOLIVARIAN VENEZUELA

“The hegemonic pretensions of the American empire are placing at risk the very survival of the human species. We continue to warn you about this danger and we appeal to the people of the United States and the world to halt this threat, which is like a sword hanging over our heads . . . And the devil [George W. Bush] came here yesterday. Yesterday the devil came here. Right here. And it smells of sulfur still today. Wherever he looks, he sees extremists.”

President Hugo Chávez of Venezuela’s address to  
the United Nations, September 20, 2006<sup>1</sup>

### POST-COLD WAR UNITED STATES FOREIGN POLICYMAKING: DEALING WITH HUGO CHÁVEZ

#### Setting the Stage

Chapter 4 sets the stage for the present chapter by elaborating on how the United States (U.S.) Congress influenced foreign policymaking toward the Latin American state of Nicaragua before and during the Cold War, and analyzed the evolution of U.S.-Nicaraguan interactions during three revolutionary periods spanning the greater part of the twentieth century. Chapter 5 builds on the preceding discussion by elaborating on Bolivarian Venezuela (1998 to present) as a case study of U.S. reaction to Latin American revolutionary changes in the post-Cold War era. Chapter 5 applies Cole

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<sup>1</sup> See, Chávez, Hugo, “*Chávez address to the United Nations*,” New York, (September 20, 2006), accessed June 7, 2008, <http://www.commondreams.org/views06/0920-22.htm> (Appendix 6). In light of Chávez’s comments about George W. Bush at the United Nations, David Stout of the *New York Times* interestingly wondered whether “Chávez was exhorting Americans to rise up in revolution, or if his gibe was an indirect reference to previous American-aided upheavals in Central and South America.” Stout, David, “Chávez Calls Bush ‘the Devil’ in U.N. Speech,” in *The New York Times*, (September 20, 2006), accessed June 8, 2008, [http://www.nytimes.com/2006/09/20/world/americas/20cnd-chavez.html?\\_r=2&oref=slogin&oref=slogin](http://www.nytimes.com/2006/09/20/world/americas/20cnd-chavez.html?_r=2&oref=slogin&oref=slogin).

Blasier's theoretical propositions to the analysis of foreign policymakers' interpretations of revolutionary changes. Blasier's propositions remain a viable means for interpreting the impact of Congress on U.S. foreign policies dealing with Hugo Chávez and his brand of leftist-inspired revolutionary change.

Nicaragua under the first Sandinista-led government (1979-90) and Venezuela under Chávez's rule (1998 to present) share a number of similarities, as well as key differences, in light of how the United States has crafted its policies for dealing with revolutionary changes. For example, a major stumbling point in Washington's relations with both of these regimes has been the Sandinistas and Chávez's implementation of political policies structured in a manner that discount representative democracy in favor of a greater role for participatory democracy.

From a foreign direct investment perspective (FDI), Venezuela, like many of the other Latin American countries, has also long been the target of U.S. private business interests focused on developing the local consumer market as a destination for U.S. food stuffs, manufactured exports, and services.<sup>2</sup> On the flipside of the trade equation countries such as Venezuela in the Central America/ Caribbean Basin sub-region have traditionally served as key sources of extractive resources (e.g., tropical horticultural products, a wide array of minerals, and in Venezuela's case, petroleum). In addition, countries such as Nicaragua and Venezuela, exhibit a number of factors that at times lend both countries an otherwise disproportionate degree of geopolitical importance in U.S.

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<sup>2</sup> Venezuela in calendar year 2007 alone imported from the United States more than \$5 billion in machinery, organic chemicals, and iron and steel products in addition to more than \$600 million in food stuffs (namely cereals, edible food preparations, and fats and oils). See, Global Trade Atlas, "Venezuela Import Trade Statistics," accessed June 20, 2008, <http://www.gtis.com/gta>.

security calculations at times.<sup>3</sup> These factors include close proximity to the Panama Canal, and a track record of fiscal mismanagement leading them to become financially indebted not only to the United States but also to extra-hemispheric powers.

As a result, U.S. foreign policymakers in both the White House and Congress have historically sought to maintain Nicaragua and Venezuela within the U.S. political-military and economic orbit, or reign them in should they stray. Beyond such similarities there are two key differences today that set the two case study countries of Nicaragua and Venezuela apart. These two differences are responsible for shaping U.S. foreign policymakers' reactions to revolutionary change.

The first critical difference is that Venezuela, unlike Nicaragua, controls some of world's largest proven reserves of petroleum outside of the Middle East. With approximately 80 billion barrels of proven oil reserves, Venezuela has the world's seventh largest reserves of petroleum and is the United States fourth largest supplier (approximately 11 percent) of crude oil. Oil wealth makes Venezuela critically important in U.S. foreign policymaking calculations. Yet the question that arises in this context is does oil wealth strengthen Venezuela's hand vis-à-vis its dealings with the United States or does it constitute a vulnerability? The question of vulnerability will be addressed shortly. For now Table 11 compares major petroleum producers with political-economic stability.

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<sup>3</sup> The United States feared that Venezuela and Nicaragua would be unable to service their foreign debt obligations and thereby invite foreign intervention by non-American powers. The United States intervened in Nicaragua in 1909 in no small measure out of the fear that the José Santos Zelaya government would be unable to service Nicaragua's foreign debt and thereby result in a repetition of Germany's aggressive intervention which occurred during the Venezuela incident of 1902-03. In the case of the latter, Berlin communicated to the British that it was willing to "temporarily occupy Venezuelan harbors much as it had done in China. Note that in 1898 Germany had "temporarily" acquired Kiaochow (China) on a ninety-nine year lease on the basis of a similar dispute. See, Morris, Edmund, "A matter of extreme urgency: Theodore Roosevelt, Wilhelm II, and the Venezuela Crisis of 1902 - United States-Germany conflict over alleged German expansionistic efforts in Latin America," in *Naval War College Review* (Spring 2002), pg. 2, accessed May 30, 2008, [http://findarticles.com/p/articles/mi\\_m0JIW/is\\_2\\_55/ai\\_88174230/pg\\_2](http://findarticles.com/p/articles/mi_m0JIW/is_2_55/ai_88174230/pg_2).

**Table 11– Petroleum Reserves and Reserves Life at Current Levels of Extraction (ranked by reserves largest to smallest)**

Country	Proven Reserves (1) (billions of barrels)	Production (2) (millions of barrels per day)	Est. Reserve Life (number of years at current levels)	Country Risk (3) (scale of 1 to 5, with 1=low and 5=extreme)	
Saudi Arabia (ME)	260	10.2	69.8	2.34	Moderate
Canada (WH)	179	3.2	153.3	1.32	Negligible
Iran (ME)	136	4.0	93.2	3.70	High
Iraq (ME)	115	2.0	157.5	4.06	Very High
Kuwait (ME)	99	2.6	104.3	2.11	Moderate
United Arab Emirates (ME)	97	2.9	91.6	1.68	Negligible
Venezuela (WH)	80	2.6	84.3	3.80	High
Russia (EURASIA)	60	9.8	16.8	2.91	Medium
Libya (AF)	41.5	1.8	63.2	2.85	Medium
Nigeria (AF)	36.2	2.3	43.1	3.86	High
United States of America (WH)	21	7.4	7.8	1.51	Negligible
Mexico (WH)	12	3.4	9.7	2.60	Medium

Obs: Reserve life calculated by dividing reserves by annual production (daily production times 365 days). ME = Middle East, WH = Western Hemisphere, EURASIA = Europe and Asia combined, and AF = Africa. Sources: (1) U.S. Department of Energy (DOE) – Energy Information Agency (EIA), accessed June 15, 2008, <http://www.eia.doe.gov/emew/international/reserves.html>. (2) Ibid. accessed June 15, 2008, <http://www.eia.doe.gov/emew/international/RecentCrudeNGPLOtherProduction.xls>. (3) Global Insight, Country Risk Calculations as of June 16, 2008, <http://www.globalinsight.com>. (Appendix 7).

Nicaragua, on the other hand, having lost its bid at the beginning of the twentieth century to become the site for a trans-isthmus canal, and with its significant geopolitical importance and economic pull, remains underdeveloped and impoverished. In the



Americas, only Haiti, with 80 percent of its population living below the poverty line, 54 percent living in conditions of abject poverty, and wracked by political instability, is in a direr situation.<sup>4</sup>

The second difference between Nicaragua and Venezuela is that the latter only poses a threat to U.S. economic security. During the Cold War, Sandinista-led Nicaragua was identified by the Ronald W. Reagan (R, 1981-89) and the George H.W. Bush (R, 1989-93) administrations, as well as by elements in Congress, as being within the Soviet-Cuban camp. While both the White House and Congress disagreed on the extent of the capabilities that Nicaragua had at its disposal to threaten the United States and its interests, both saw the Sandinistas as part of the greater Cold War era struggle where the Soviet Union working through its proxies attempted to undermine U.S. regional leadership. In the post-Cold War this is not the case. Neither the executive nor legislative branches of the U.S. government seriously view Chávez as posing a political or diplomatic threat to U.S. regional leadership (political hegemony).

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<sup>4</sup> As the Central Intelligence Agency (CIA) attests in “*2008 World Fact Book*,” Nicaragua “has widespread underemployment (46.5 percent), one of the highest degrees of income inequality in the world (48 percent of the population lives below the poverty line), and the third lowest gross domestic product (GDP) per capita income in the Western Hemisphere (\$2,600 in purchasing power parity - PPP). While the country has progressed toward macroeconomic stability in the past few years, annual GDP growth of 3.8 percent has been far too low to meet the country’s needs, forcing the country to rely on international economic assistance to meet fiscal and debt financing obligations (e.g. it received \$471 million in economic aid in 2006). In early 2004, Nicaragua secured some \$4.5 billion in foreign debt reduction under the Heavily Indebted Poor Countries (HIPC) initiative, and in October 2007, the International Monetary Fund (IMF) approved a new poverty reduction and growth facility (PRGF) program that should create fiscal space for social spending and investment. The continuity of a relationship with the IMF reinforces donor confidence, despite private sector concerns surrounding Sandinista Daniel Ortega’s re-election as president (2006, in office since January 2007), which has dampened investment. The U.S.-Central America Free Trade Agreement (CAFTA) has been in effect since April 2006 and has expanded export opportunities for many agricultural and manufactured goods. Energy shortages fueled by high oil prices, however, are a serious bottleneck to growth. See, Central Intelligence Agency, “*2008 World Fact Book*.” Washington, DC: CIA-Office of Public Affairs, (2008 edition), accessed June 27, 2008, <https://www.cia.gov/library/publications/the-world-factbook/geos/nu.html>.

As a consequence the White House and Congress are hesitant to declare Chávez a threat to the vital interests of the United States. Although Chávez may desire to place Venezuela in today's Latin American revolutionary vanguard and sees himself as Fidel Castro's revolutionary heir, the current geopolitical situation lacks the main crucial element that made Cuba and Nicaragua somewhat threatening during the Cold War. Today there is no hostile, extra-hemispheric power threatening the United States. Unlike the Soviet Union of the Cold War era, none of today's potentially hostile Great Powers have at present the capability to implement an interventionist, non-constructive foreign policy in Latin America aimed at challenging and or substituting U.S. leadership.

Chávez's aspiration to become a post-Cold War Latin American revolutionary leader is handicapped by the political-military inability and diplomatic-economic unwillingness of either the Russian Federation or the People's Republic of China to provide more than token support for his revolutionary agenda.<sup>5</sup> While the Russian Federation affirms its intent to strengthen relations with Venezuela, Moscow's sustained capability to back words with long-term military cooperation and economic muscle is

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<sup>5</sup> Note that the Russian Federation, under Vladimir Putin's presidency (2000-08), undertook controversial arms sales (i.e., 100,000 AK-103 assault rifles in 2005-06) to Caracas, provoking Washington's ire. The Bush administration formally lodged its protests with Moscow over the weapons sale with the U.S. Department of State indicating that, "Venezuela's plans to purchase various types and large quantities of weapons are extremely troubling. And we believe that Venezuela should consult with its neighbors on such armament acquisitions. The purchase has raised questions as to their ultimate purposes. Our concerns about these weapons purchases are heightened by Venezuela's tolerance for groups such as FARC [Revolutionary Armed Forces of Colombia] and ELN [National Liberation Army] and others." See, *The Washington Times*, "Russian arms sale to Chávez irks U.S." (February 10, 2005), accessed June 21, 2008, <http://washingtontimes.com/news/2005/feb/10/20050210-123420-3113r/?page=1>. Venezuela has also purchased Russian Mi-24 HIND attack and Mi-26 transport helicopters, and has begun receiving 24 Russian Sukhoi Su-30 fighters. These advanced weapons purchases coupled with a 2005-06 agreement to construct a rifle and ammunition complex and the 2007-08 agreement to purchase Mi-28 Havok attack helicopters, IL-76 heavy lift aircraft, an integrated air defense missile system from Belarus, four KIL0 class submarines, and Chinese K-8 jet trainers is viewed as exceeding Venezuela's defense needs and may led to a regional arms race. See U.S. Department of State – Bureau of Western Hemisphere Affairs, "Background Note: Venezuela," accessed June 25, 2008, <http://www.state.gov/r/pa/ei/bgn/35766.htm>.

hamstrung by its own vulnerability to the swings in global demand for its oil and gas exports. The global recession of 2008-09, brought about by the financial crisis in the United States, has resulted in a deep economic recession that has dampened U.S. demand for imported oil and as a consequence driven down the per barrel price of petroleum.

Both of these non-Western Great Powers, outside of some weapons sales in order to secure their own commercial access to Venezuela's and the region's resources and markets, continue to concede the Americas to the United States.<sup>6</sup> As a result, Chávez, lacking the backing of a powerful anti-American patron, cannot export his homegrown revolutionary model. Also the Bolivarian revolutionary model cannot be easily replicated by Latin American countries that lack vast natural endowments similar to those found in Venezuela. Chávez, despite the inflammatory rhetoric and recourse to oil diplomacy, cannot kick start Bolivarian-style revolutions in Latin America.<sup>7</sup> His own domestic

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<sup>6</sup> China is interested in exploiting Latin American diplomatic and commercial ties in order to gain access to natural resources critical to its own economic development and industrialization drive. Chinese investment in Latin America has focused on the extraction and production of local resources. Some analysts have raised red flags over Chávez's visit to Beijing in December 2004 and China's Vice-president Zeng Qinghong's visit to Caracas in January 2005 and their signing of a series of energy-related agreements. Others contend that Chinese interest remains relatively benign and confined to prospecting for new trade and investment opportunities that could help fuel its development and assist in further reducing Taiwan's international space (roughly half of the countries that accord Taipei diplomatic recognition are located in Latin America). See Dumbaugh and Mark P. Sullivan, "China's Growing Interest in Latin America." Washington, DC: Congressional Research Service, (April 20, 2005), pgs. 1, 3, and 5, accessed June 1, 2008, <http://itlay.usembassy.gov/pdf/other/RS22119.pdf>.

<sup>7</sup> While in the 1960s Castro sought to export his brand of revolutionary communism to the Latin American region, including Venezuela, on the basis of men and arms, Chávez has sought to win over the people of Latin America and their leaders to Venezuelan Bolivarianism with cheap oil. Thanks to record high oil prices in recent years, Chávez has had the means to engage in a sort of diplomacy that escaped Castro during the long years of rule in Cuba. Chávez launched PetroCaribe in October 2005 as an arrangement to supply friendly states in the region with cheap Venezuelan crude as a means of undermining their traditional dependency and therefore support for the United States. Besides offering cheap crude oil to these countries and discussing his desire to co-construct non U.S.-controlled petroleum refineries, Chávez has also "bought up some of their bonds and offered cash aid for development programs in a bid to unify the region around his ideology." See *The Miami Herald*, "Chávez's Oil Diplomacy Attracting new Friends," (November 17, 2005), accessed June 21, 2008, <http://www.flacso.org/hemisferio/al-eeuu/boletines/01/02/chavez.oil.pdf>.

revolutionary reforms also become increasingly difficult to fund, thereby increasing Venezuelan political instability, when the price of petroleum falls below the \$120 mark.<sup>8</sup>

### **Venezuela's Relevance**

Venezuela, led by the mercurial and increasingly autocratic but still democratically elected Chávez, is an important case study illustrating how the United States Congress is reacting to Latin American revolutionary changes in the post-Cold War in a less belligerent, non zero-sum manner than it did in the past.<sup>9</sup> The U.S. reaction to post-Cold War Latin American revolutionary change is conditioned not just by the desire of the United States to retain regional leadership (political hegemony), but also by strong congressional willingness to assert its own foreign policymaking influence even if it might defer to the White House on certain policy issues.

Unlike the Reagan-Bush years, a period when the executive and legislative branches of the U.S. government were at loggerheads over their assessments of the Sandinista threat, today both branches concur that Chávez is more a nuisance than a threat to U.S. interests. Furthermore, and in sharp contrast to the 1909 Rayner resolution

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<sup>8</sup> According to Saul Hudson, Venezuela's state oil company and the financial engine of Chávez's social programs has become so debt laden that industry experts have questioned how long Chávez will be able to fund food hand outs and free doctor visits. Alberto Barrera, author of a Chávez biography states, "Chávez has promised Venezuelans paradise but that paradise, which he calls socialism, depends on oil above \$120." See, Hudson, Saul. "Venezuela's Chavez celebrates 10 years in power," (February 2, 2009), accessed February 6, 2009, <http://www.reuters.com/article/worldNews/idUSTRE51151920090203>.

<sup>9</sup> Hugo Chávez, born on July 28, 1954, in the state of Barinas, Venezuela, is the son of school teachers. Chávez graduated from Venezuela's Military Academy in 1975 and attained the rank of lieutenant colonel by 1990. During his imprisonment (1992-94) for his coup attempt against the elected government of Carlos Andrés Pérez in February 1992, Chávez further refined his thoughts and the constructs of his nationalistic and left-leaning Bolivarian Revolutionary Movement which he had founded while in the military. Pardoned in 1994, Chávez went on to dispute and win the Venezuelan presidency in 1998. See, Sullivan, Mark P., and Nelson Olhero, in "Venezuela: Political Conditions and U.S. Policy." Washington, DC: Congressional Research Service, (revised January 11, 2008), pg. 4, <http://www.fas.org/sgp/crs/row/RL32488.pdf>.

in the Nicaragua-Zelaya case study, the common ground experienced among governmental branches on Chávez's revolutionary agenda does not imply that Congress is ceding its foreign policymaking privileges to the executive branch. Rather, today's concurrence of opinion on the threat posed by Chávez is based on the conclusion that he has not established Cold War era-style ties to an extra-hemispheric rival of the United States. Nor does Chávez have links to Islamic movements (today's non-state threat) significant enough to warrant his removal from power (i.e., regime change/ suppression).

Furthermore, Chávez is unable to break relations with Washington because Venezuela remains dependent on U.S. food stuffs and petroleum sector machinery imports.<sup>10</sup> Chávez's dependence is shown by Central Intelligence Agency (CIA) estimates of Venezuela's export-import trade. Top export partners in 2007 compared to 2006 are the United States (42.7 percent down from 46.2 percent), the Netherlands Antilles (8 percent down from 13.5 percent), and China (3.1 virtually unchanged from 3.2 percent). The main export commodities are petroleum, bauxite and aluminum, steel, chemicals, agricultural products, and basic manufactured products.

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<sup>10</sup> "Venezuela is a significant importer of agricultural products, totaling \$4.2 billion in 2007 according to Bolivarian Republic of Venezuela (BRV) data. U.S. agricultural and food exports to Venezuela over the last five calendar years (2003-2007) have averaged \$442 million, with 2007 jumping to \$619 million. The main products currently imported from the United States, by value, are wheat, corn, consumer-oriented, animal fats, and vegetable oils. Demand for consumer-oriented products from the United States has been growing rapidly; these exports to Venezuela in 2007 were \$97 million compared to \$35 million in 2003." See United States Department of Agriculture – Foreign Agricultural Service (FAS). "GAIN Report – Exporter Guide (Venezuela)." Washington, DC: FAS. Number VE8076, October 3, 2008, accessed February 5, 2009, [http://www.fas.usda.gov/scripts/w/attacherep/attache\\_lout.asp](http://www.fas.usda.gov/scripts/w/attacherep/attache_lout.asp).

**Table 12 - Venezuelan Import Statistics, All Commodities and Chapters for Calendar Years 1999 to 2007**  
(in \$ billions\*)

Trade Partner (Ranking)	1999	2000	2001	2002	2003	2004	2005	2006	2007	CAGR (calc. on 2008 dollars)
<b>World</b>	12.4	14.4	16.3	11.0	7.9	15.1	21.9	30.6	41.9	13.3 percent
	16.0	18.0	19.8	13.1	9.2	17.2	24.1	32.6	43.5	
<b>1) United States</b>	5.1	5.4	5.5	3.6	2.6	4.8	6.6	9.0	10.8	9.8 percent
	6.5	6.7	6.6	4.3	3.0	5.4	7.2	9.6	11.2	
<b>2) Colombia</b>	.734	1.0	1.4	.950	.708	1.6	2.3	3.0	5.6	36.2 percent
	.948	1.2	1.7	1.1	.847	1.8	2.5	3.2	11.2	
<b>3) China</b>	.068	.184	.334	.199	.158	.447	1.0	2.2	4.0	61.9 percent
	.087	.230	.406	.274	.184	.509	1.1	2.3	4.1	
<b>4) Brazil</b>	.455	.724	.971	.698	.536	1.2	1.9	2.9	3.9	27.1 percent
	.588	.905	1.1	.835	.627	1.3	2.0	3.0	4.0	
<b>5) Mexico</b>	.494	.625	.771	.505	.363	.723	1.5	1.9	2.1	16.1 percent
	.638	.781	.937	.604	.424	.824	1.6	2.0	2.1	
<b>Cuba (50)</b>	.003	.004	.013	.004	.095	.105	.053	.030	.031	29.7 percent
	.004	.006	.016	.056	.112	.119	.058	.032	.032	

Obs: Venezuela's full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008.

(\*) Values are in dollars billions, figures given in each annual cell per country are in nominal values over values adjusted in 2008 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Compound annual growth rate or CAGR =  $\left(\frac{\text{current year}}{\text{initial year}}\right)^{\frac{1}{\text{number of years [8]}-1}} \times 100$ , calculated based on adjusted CPI values.

Source: Global Trade Atlas, "Venezuela Import Statistics: All Commodities and Chapters," accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

Despite the economic rationale for nurturing links, Chávez seeks to distance Venezuela's reliance on the United States. Venezuelan trade remains dominated by the

United States. Venezuela's major imports from the United States are raw materials, machinery and equipment, transport equipment and construction material (Table 13).<sup>11</sup>

**Table 13 - Venezuelan Import Statistics, All Commodities and Chapters for Year-to-Date January-October Values for Years 2006 to 2008**  
(in \$ billions\*)

Trade Partner (Ranking)	2006	2007	2008	Trade Partner's Share of Venezuelan Import Trade		
				2006	2007	2008
World	24.5	34.0	36.2	100 percent	100 percent	100 percent
	26.1	35.3	36.2			
1) United States	7.4	9.1	9.4	30.1 percent	26.7 percent	26.0 percent
	7.9	9.4	9.4			
2) Colombia	2.4	4.2	5.4	9.9 percent	12.4 percent	14.9 percent
	2.5	4.3	5.4			
3) Brazil	2.5	3.3	3.4	10.0 percent	9.6 percent	9.4 percent
	2.6	3.4	3.4			
4) China	1.7	3.3	3.3	6.8 percent	9.7 percent	9.2 percent
	1.8	3.4	3.3			
5) Mexico	1.6	1.7	1.7	6.7 percent	5.0 percent	4.8 percent
	1.7	1.7	1.7			
Cuba (53)	0.025	0.026	0.026	0.10 percent	0.08 percent	0.07 percent
	0.026	0.026	0.026			

Obs: Venezuela's full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008.

(\*) Values are in dollars billions, figures given in each annual cell per country are in nominal values over values adjusted in 2008 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Source: Global Trade Atlas, "Venezuela Import Statistics: All Commodities and Chapters," accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

<sup>11</sup> See, CIA (2008), accessed June 27, 2008, and February 5, 2009, <https://www.cia.gov/library/publications/the-world-factbook/geos/nu.html> and <https://www.cia.gov/library/publications/the-world-factbook/geos/ve.html>.

Central Intelligence Agency estimates indicate that Venezuela's export earnings are highly dependent on oil revenues which account for 90 percent of all export earnings and represent 50 percent of the federal budget while translating into 30 percent of GDP.<sup>12</sup> Trade with the United States accounts for 25 percent of Venezuela's imports (\$10.8 billion in 2007).<sup>13</sup> Despite attempts to increase trade with China (\$4.4 billion in 2007) and Cuba (\$31.8 million in 2007), trade remains dominated by the United States and by pro-U.S. Colombia.<sup>14</sup>

Chávez aims to diversify Venezuela's trade relations by increasing the depth of trade ties with MERCOSUR (*Mercado Común del Sur*) member Brazil. Trade with Brazil has grown by 31 percent during Chavez's administration (although starting from a low base of \$455 million), but still accounts for only a third of the U.S. total trade in 2007.<sup>15</sup> Venezuela's trade dependence on the United States severely constrains Chávez's economic and diplomatic maneuverability. Table 14 shows that out of the \$14.2 billion goods that Venezuela exported to the world in 2007, over \$7.2 billion, or half of the country's exports were shipped to the United States.<sup>16</sup> Of the \$7.2 billion exported to the United States in 2007, \$6.1 billion or 85 percent of the total were petroleum products.<sup>17</sup>

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<sup>12</sup> CIA, accessed February 6, 2009, <https://www.cia.gov/library/publications/the-world-factbook/geos/ve.html>.

<sup>13</sup> Global Trade Atlas, "Venezuela Export and Import Statistics, All Commodities and Chapters for Calendar Years 1999 to 2007," accessed June 20, 2008, <http://www.gtis.com/gta/>.

<sup>14</sup> Ibid.

<sup>15</sup> See, Global Trade Atlas. MERCOSUR, known in Portuguese as *Mercado Comum do Sul* (MERCOSUL), is a regional trade agreement to which Argentina, Brazil, Paraguay, and Uruguay are full members. Bolivia, Chile, Colombia, Ecuador, and Peru have associate status. Venezuela, under Chávez signed a membership agreement on June 17, 2006.

<sup>16</sup> Ibid.



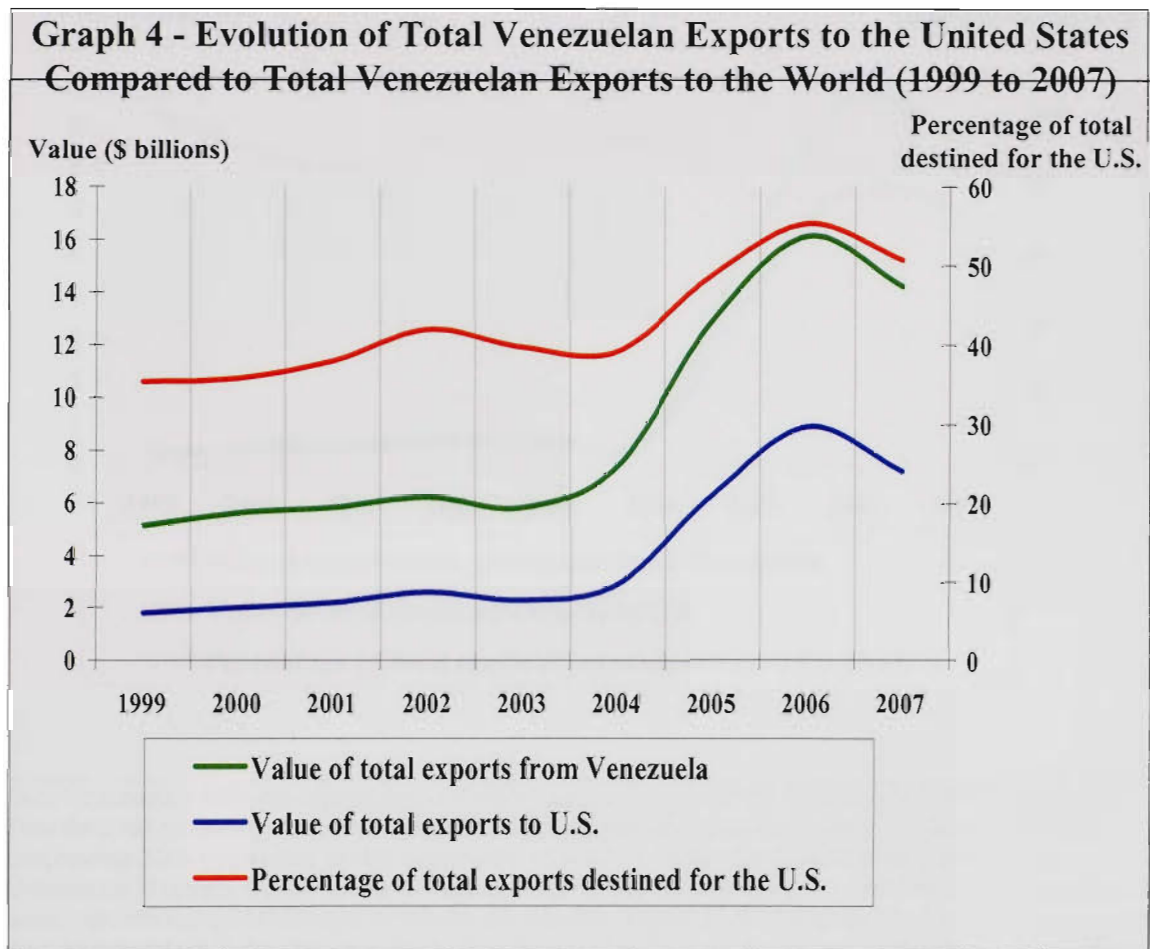
**Table 14 - Venezuelan Export Statistics, All Commodities and Chapters for Calendar Years 1999 to 2007**  
(in \$ billions\*)

Trade Partner (Ranking)	1999	2000	2001	2002	2003	2004	2005	2006	2007	CAGR (calc. on 2008 dollars)
World	4.1	4.7	5.0	5.4	5.2	6.8	12.2	15.7	16.2	15.8 percent
	5.2	5.8	6.0	6.4	6.0	7.7	13.4	16.7	16.8	
1) United States	1.5	1.7	1.9	2.3	2.1	2.7	6.0	8.4	8.8	24.8 percent
	1.9	2.1	2.3	2.7	2.4	3.0	6.6	8.9	9.1	
2) Colombia	.675	.740	.715	.703	.623	.983	1.0	1.1	1.1	2.9 percent
	.872	.925	.869	.841	.728	1.1	1.1	1.1	1.1	
3) Netherlands Antilles	.00008	.006	.002	.008	.012	.044	.318	.396	.594	123.2 percent
	.001	.007	.002	.009	.014	.050	.350	.422	.616	
4) Netherlands	.092	.142	.139	.260	.215	.256	.550	.804	.493	17.8 percent
	.118	.177	.168	.311	.251	.291	.606	.843	.439	
5) Mexico	.181	.271	.256	.260	.338	.406	.467	.680	.423	7.9 percent
	.233	.338	.311	.311	.395	.462	.514	.726	.428	
Cuba (8)	.016	.012	.016	.011	.009	.084	.089	.165	.356	44.0 percent
	.020	.015	.019	.013	.010	.095	.098	.176	.369	

Obs: Venezuela's full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008 and suppressing 2008 export data for HS commodity code 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude. (\*) Values are in dollars billions, figures are given in each annual cell per country are in nominal values over values adjusted in 2008 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Compound annual growth rate or CAGR =  $((\text{current year}/\text{initial year})^{(1/\text{number of years} - 1)} - 1) * 100$ , calculated based on adjusted CPI values. Source: Global Trade Atlas, "Venezuela Export Statistics: All Commodities and Chapters," accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

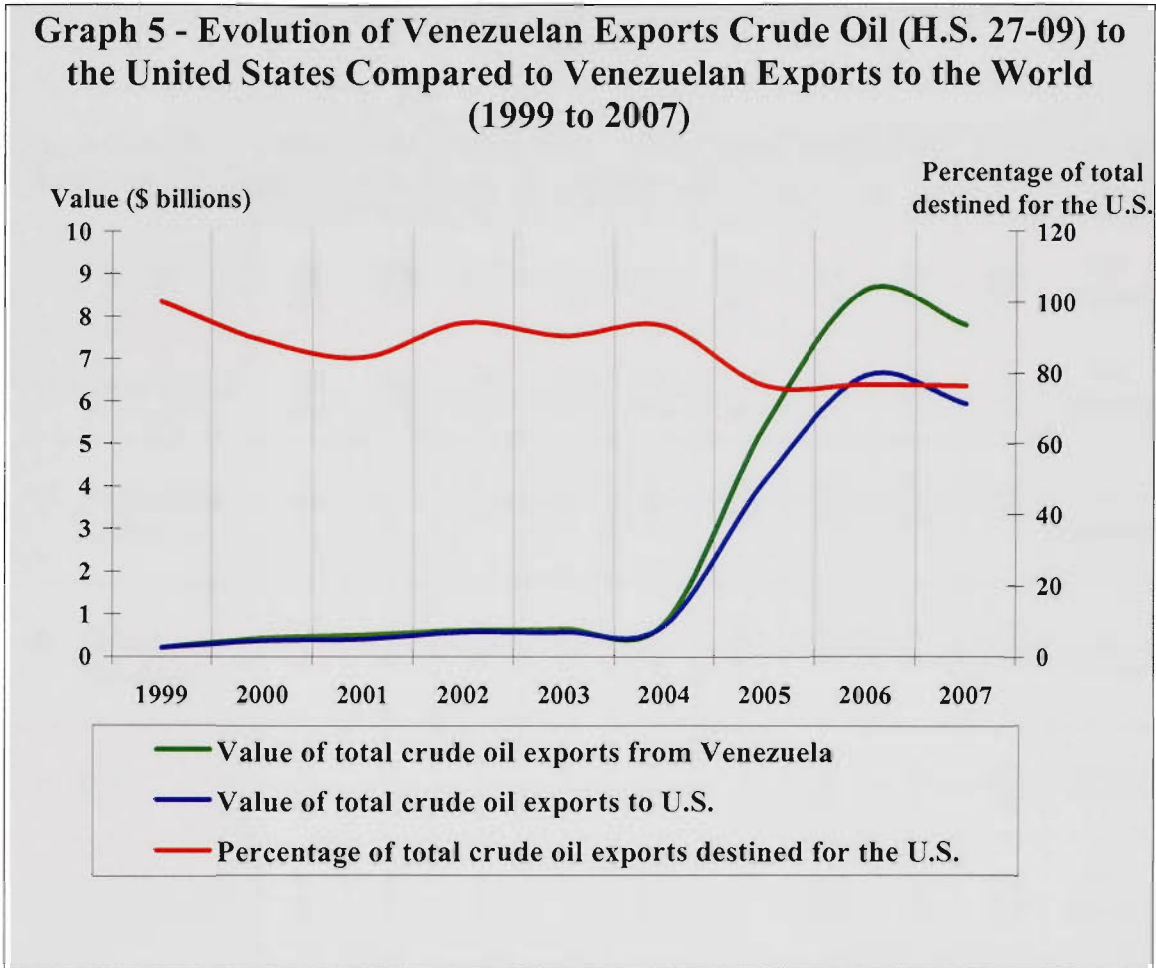
<sup>17</sup> Ibid.

The basis of Chávez’s ability to fund his government and Bolivarian initiatives at home that translate into domestic political support is the profitability of the oil trade. Oil trade profitability is sustained by high prices and continued strong U.S. demand. Political survival is dependent on access to the U.S. energy market. Despite Chávez’s caustic rhetoric, he is cognizant of this dependence and will not jeopardize the relationship without having first secured an alternative buyer (Graph 4) of Venezuelan crude.



Obs: Venezuela’s full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008 and suppressing 2008 export data for HS commodity code 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude. Yearly nominal values in dollars adjusted to 2007 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>.  
 Source: Global Trade Atlas, “Venezuela Export Statistics: Commodity: Total, all (HS) tariff chapters,” accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

Graphs 4 and 5 show a slump in exports to the United States during the calendar year (CY) 2007. The slow down parallels the overall drop in value in terms of exports. Exports to the United States have remained strong despite threats to cut off oil shipments.



Obs: Venezuela's full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008 and suppressing 2008 export data for HS commodity code 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude. Crude oil exports to the United States during the 1999-2007 have a compound annual growth rate (CAGR) equal to 49 percent, whereas exports to the world during this period have grown by over 54 percent (includes exports to the United States).  $CAGR = (((\text{current year}/\text{initial year})^{(1/\text{number of years [8]})} - 1) * 100)$ . If exports to the United States are eliminated, exports to the world during the 2000-2007 (no exports in 1999 outside of those to the United States) have a CAGR of over 65.5 percent.  $CAGR = (((\text{current year}/\text{initial year})^{(1/\text{number of years [7]})} - 1) * 100)$ . Yearly nominal values in dollars adjusted in 2007 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Source: Global Trade Atlas, "Venezuela Export Statistics: Commodity: 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude," accessed June 22, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

Graph 5 also shows the impact of Chávez's attempts to divert Venezuela's reliance away from the U.S. market. Export destinations are highlighted in Table 15.<sup>18</sup>

**Table 15 - Venezuelan Export Statistics, Crude Oil (H.S. 27-09) to the United States Compared to Exports to the World 1999 to 2007**  
(in \$ billions\*)

Trade Partner (Ranking)	1999	2000	2001	2002	2003	2004	2005	2006	2007	CAGR (calc. on 2008 dollars)
<b>World</b>	.196	.406	.473	.593	.619	.761	5.4	8.6	10.4	59.7 percent
	.253	.507	.575	.709	.724	.867	5.9	9.1	10.7	
<b>1) United States</b>	.196	.362	.398	.557	.559	.710	4.1	6.6	7.6	53.5 percent
	.253	.452	.483	.666	.654	.809	4.5	7.0	7.8	
<b>2) Netherlands Antilles</b>	0	0	0	0	0	.024	.274	.317	.458	160.1 percent
	0	0	0	0	0	.027	.302	.338	.475	
<b>3) United Kingdom</b>	0	0	0	0	0	0	0	0	.314	Insufficient Trade Data
	0	0	0	0	0	0	0	0	.326	
<b>4) Cuba</b>	0	0	0	0	0	0	0	0	.291	Insufficient Trade Data
	0	0	0	0	0	0	0	0	.302	
<b>5) Netherlands</b>	0	0	0	0	.017	0	.237	.357	.250	92.1 percent
	0	0	0	0	.019	0	.261	.381	.259	

Obs: Full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008 and suppressing 2008 export data for HS commodity code 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude.

(\*) Values are in dollars billions, figures are given in each annual cell per country are in nominal values over values adjusted in 2008 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Compound annual growth rate or CAGR =  $\left(\frac{\text{current year}}{\text{initial year}}\right)^{\frac{1}{\text{number of years [8]}-1}} \times 100$ .

Source: Global Trade Atlas, "Venezuela Export Statistics: All Commodities and Chapters," accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>.

<sup>18</sup> Not reflected in Table 15 is that Venezuela commenced crude oil shipments to Ecuador in 2006 at a value of \$1.2 million (\$1.3 million in 2008 dollars using the consumer price index) and that in 2007 it had shipped a total value of \$199 million (\$207 million in 2008 dollars), making the former Venezuela's 6<sup>th</sup> largest petroleum export destination.

## Venezuela and PetroCaribe

PetroCaribe is a Caribbean-based energy alliance, created by Chávez and organized to assist friendly countries' purchases of Venezuelan petroleum on the basis of preferential payments. Chávez aims to undermine U.S. regional leadership by utilizing PetroCaribe "as an integral process intended to promote the eradication of social inequalities and to foster improved living standards and more effective participation by nations in their efforts to shape their own destiny."<sup>19</sup> The percentage of total Venezuelan crude oil exports destined for the U.S. energy market declined since 2005 with the launch of the PetroCaribe agreement (June 2005).<sup>20</sup> Venezuelan crude exports to the United States declined by 3.8 percent in 2007 compared to 2005. However, exports to the United States still account for more than 72 percent of Venezuela's total crude oil exports.

Chávez engages in oil diplomacy to undermine U.S. leadership in Latin America. However oil diplomacy has a cost. Chávez, by subsidizing exports to the PetroCaribe countries, is sacrificing the (immediate) full market price he could otherwise obtain for U.S. bound shipments. Sales to the PetroCaribe members are negotiated as mixed barter agreements and traditional sales with partial and deferred payment components. Table 16 shows that Venezuelan crude oil shipments to PetroCaribe members by quantity and value increased by 190 and 81 percent in the 2005-07 period. These values can be

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<sup>19</sup> Oxford Analytica. "Oil price may hit PetroCaribe prospects." (October 27, 2008), accessed, February 6, 2009, <http://www.globeinvestor.com/servlet/story/RTGAM.20081027.woxfoanalytica1027/GIStory/>.

<sup>20</sup> In addition to Venezuela, states party to the agreement are Antigua and Barbuda, the Bahamas, Belize, Costa Rica, Cuba (is not a signatory to the agreement but is listed as a member), the Dominican Republic, Dominica, Grenada, Guatemala, Guyana, Haiti (April 2006), Honduras (December 2007), Jamaica, Montserrat, Nicaragua, Suriname, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines. Barbados and Trinidad and Tobago were invited to join PetroCaribe at its inception but have chosen not to subscribe to the agreement. See also, Sánchez, Gualveris Rosales, "PETROCARIBE expresses the unity, solidarity, and cooperation among people," (December 22, 2007), accessed June 27, 2008, [http://www.cadenagramonte.cu/english/economy/petrocaribe\\_cuba.asp](http://www.cadenagramonte.cu/english/economy/petrocaribe_cuba.asp).

deceptive since they start from very low levels when compared to U.S. shipments (e.g., \$76 million versus \$4.5 billion in 2008 adjusted dollar values) but are still important.

**Table 16 - Venezuelan Export Statistics, Crude Oil (H.S. 27-09) to the United States Compared to Exports to the World and PetroCaribe (in Metric Tons millions and in \$ billions\*)**

Trade Partner (Ranking)	2005 T	2005 \$	2006 T	2006 \$	2007 T	2007 \$	CAGR 2005/07 (Metric Tons)	CAGR (calc. on 2008 dollars)	Exports Share % Δ 2005/ 07 (Metric Tons)
<b>World</b>	16.2	5.4 5.9	23.0	8.6 9.1	37.0	10.4 10.7	51.1 percent	34.7 percent	100 percent
<b>1) United States</b>	12.3	4.1 4.5	17.8	6.6 7.0	24.4	7.6 7.8	40.6 percent	31.7 percent	76.0% down to 72.7%
<b>4) Netherlands Antilles</b>	.891	.274 .302	.864	.317 .338	2.0	.458 .475	53.3 percent	24.5 percent	5.5% up to 5.6%
<b>5) United Kingdom</b>	0	0 0	0	0 0	1.5	.314 .326	Ins. Trade Data	Ins. Trade Data	Ins. Trade Data
<b>6) Cuba</b>	0	0 0	0	0 0	1.0	.291 .302	Ins. Trade Data	Ins. Trade Data	Ins. Trade Data
<b>7) Netherlands</b>	.774	.237 .261	.963	.357 .381	.674	.250 .259	-6.7 percent	-0.4 percent	4.8% down to 1.8%
<b>PetroCaribe</b>	1.5	.069 .076	2.7	.195 .208	5.6	.240 .249	190.6 percent	81 percent	1.5% up to 2.3%

Obs: Full year export-import statistics are only available for calendar year 1999 through 2007. Data for 2008 is incomplete with Venezuela selectively reporting data for January to October 2008 and suppressing 2008 export data for HS commodity code 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude. Exports to Cuba in 2007 are included in PetroCaribe values. "Ins" stands for "insufficient."

(\*) Values are in dollars billions, figures are given in each annual cell per country are in nominal values over values adjusted in 2008 dollars using the consumer price index (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#>. Compound annual growth rate or CAGR =  $((\text{current year}/\text{initial year})^{(1/\text{number of years [2]}-1)}-1)*100$ . Source: Global Trade Atlas, "Venezuela Export Statistics: All Commodities and Chapters," accessed June 20, 2008 and February 6, 2009, <http://www.gtis.com/gta/>

Oil diplomacy is not new to Venezuela. Past administrations have also sought to win neighbors' favor by providing oil largesse. Venezuela has also traditionally defended Latin American interests within the Organization of Petroleum Exporting Countries (OPEC). With Chávez however, Venezuela's state oil company *Petróleos de Venezuela, S.A.*, (PdVSA) is finding it difficult to comply with the requirements of production and distribution while remaining faithful to Chávez's diplomatic objectives.

Indicative of the difficulties facing PdVSA is the fact that since Chávez won control of the Venezuelan presidency, PdVSA's production output has dropped from 3.2 million barrels per day in 1998 to approximately 2.4 million barrels per day as a result of a combination of official government corruption and managerial ineptitude. Compounding the consequences of a drop in production and declining global prices is the fact that while half of the daily production is shipped to the United States, Venezuela's largest "cash on the barrel" paying customer, a small but growing amount of the daily production is being shipped to PetroCaribe states and friendly allies such as Ecuador.<sup>21</sup>

PetroCaribe member states are allowed to purchase Venezuelan crude at market value and pay for a small percentage of the total up front.<sup>22</sup> The remaining balance is financed at 1 percent over 25 years as long the barrel price remains at \$100 or above. The Caribbean states, party to the PetroCaribe agreement, are authorized to purchase up to 185,000 barrels of Venezuelan petroleum per day under these terms.

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<sup>21</sup> Thirty percent is due in 90 days with the rest over 25 years (fixed 1 percent). McDermott, Jeremy, "Venezuela's oil output slumps under Hugo Chávez," in *The Telegraph*, (October 13, 2008), February 6, 2009, <http://www.telegraph.co.uk/news/worldnews/southamerica/venezuela/3183417/Venezuelas-oil-output-slumps-under-Hugo-Chavez.htm>.

<sup>22</sup> Ibid.



As a further sign of Venezuelan benevolence, member states can pay for part of their petroleum import costs in the form of agricultural commodities such as bananas, rice, and sugar. Such favorable terms, which curtail the possibility of obtaining immediate full payment for oil deliveries, will increasingly weigh down the Chávez administration's ability to finance its domestic social welfare spending programs as the barrel price of petroleum stays depressed because of lower U.S. demand.

Despite economic realities, Chávez continues to challenge the United States via PetroCaribe's discounted financing of Venezuelan crude. For example, in 2007, PetroCaribe's discounted financing equaled \$1.2 billion, an amount equivalent to the entire Inter-American Development Bank's (IADB) soft loans for that year. Now Chávez's PetroCaribe largesse also encompasses food security. Chávez has pledged to provide \$450 million for food assistance, a figure that matches the U.S. Agency for International Development's (USAID) \$500 million assistance levels for the region.<sup>23</sup>

Yet Petro-Caribe's take off comes at a time that has seen rapid expansion in international crude oil prices followed by an equally precipitous fall in prices during the second half of 2008 because of global recession. Venezuela's obligations to provide PetroCaribe states with cheap oil may eventually become untenable (especially if Venezuela de-values its currency) and cause political instability at home. Instability can arise if domestic oil consumption continues to expand while prices are low prices and there is insufficient PdVSA oil infrastructure investment to meet expanded demand.

Industry experts estimate that it will take Venezuela up to five years and more than \$32 billion to bring on three additional petroleum upgrading units (in addition to the

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<sup>23</sup> Ibid.



current three now handling 600 thousand barrels per day) needed to upgrade the country's poor quality crude (high sulfur content and low viscosity) prior to shipment.<sup>24</sup> Low export prices and lack of investment in infrastructure will make it difficult for Chávez to juggle funding of social welfare and poverty eradication programs with oil diplomacy abroad.

Venezuela, despite attempts to decrease its reliance on a single export destination market, remains dangerously dependent on the U.S. energy market. Map 2 graphically illustrates CY 2005 destinations for Venezuelan crude oil exports on a daily basis.<sup>25</sup> Senator Larry E. Craig (R-Idaho, 1991-2009) in a Hearing of the United States Senate – Committee on Foreign Relations on Energy Security in Latin America held on June 22, 2006, indicated that the People's Republic of China is exploiting the rise of leftist-leaning governments such as Chávez's to secure increased access to the Latin American region's natural resources.<sup>26</sup> For Craig only through aggressive congressional oversight and the "pushing" of bills such as U.S. Senate 2435, can the United States move away from failed policies of benign neglect and non-engagement.<sup>27</sup> Craig argues that focusing too narrowly on the Middle East and neglecting Latin American petropolitics, will deliver a profound and negative impact on the United States.<sup>28</sup>

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<sup>24</sup> McDermott.

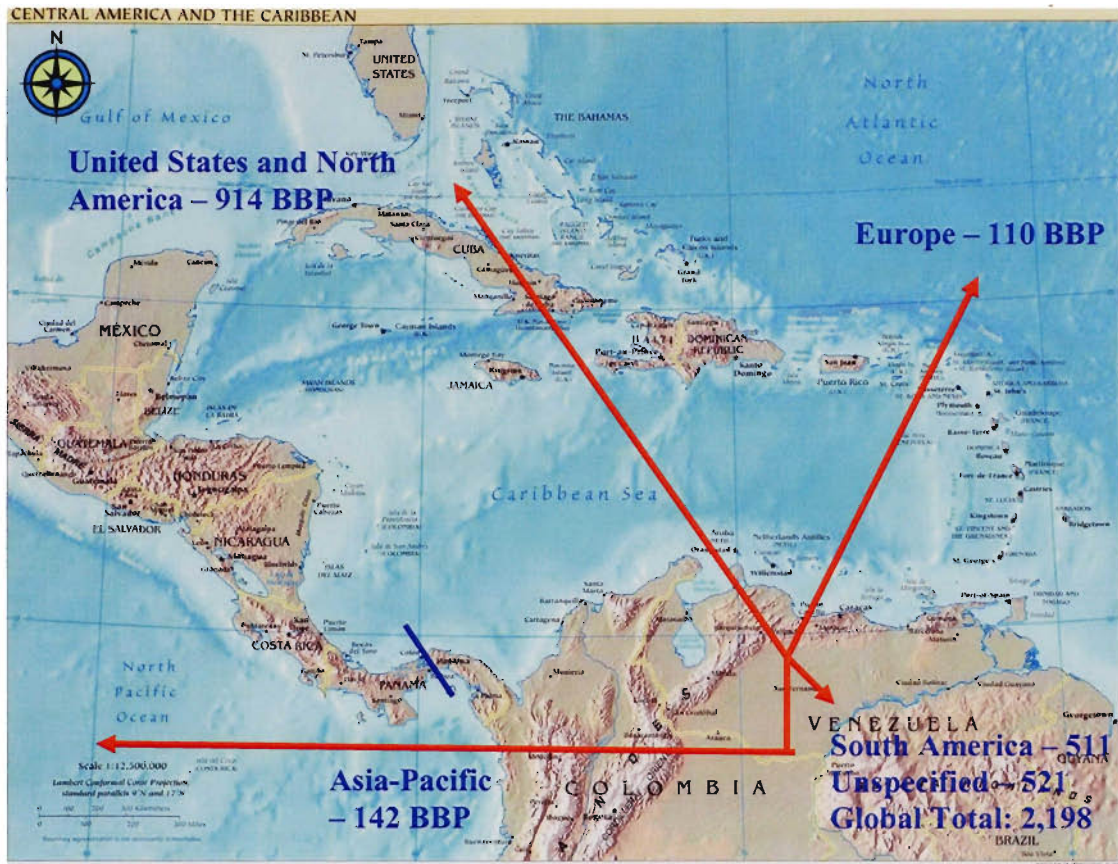
<sup>25</sup> See, BBC, "Venezuela Key Facts – Flow of Crude and Refined Oil in 2005," (2008), accessed June 21, 2008, <http://news.bbc.co.uk/2/shared/spl/hi/guides/456900/456996/html/n3page1.stm>. Also see Appendix 7.

<sup>26</sup> See, Craig, Larry E., in "United States Senate, Foreign Relations Committee, "Energy Security in Latin America." Washington, D.C. (June 22, 2006), accessed May 25, 2009, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109\\_senate\\_hearings&docid=f:34697.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_senate_hearings&docid=f:34697.pdf).

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

## Map 2 - Destination of Venezuelan Petroleum Exports (Crude and Refined in Calendar Year 2005 (in thousands of barrels per day)



Obs: Author modified map of “Central America and the Caribbean” based on “Flow of Crude and Refined Oil in 2005” with the Panama Canal represented by a solid blue line and the general routing of Venezuelan petroleum exports represented by solid red lines. The Panama Canal’s location is approximated. Barrels per day = BBP

Source: University of Texas – Perry Castañeda Library Collection, accessed February 16, 2008, see [http://www.lib.utexas.edu/maps/americas/central\\_america\\_ref02.jpg](http://www.lib.utexas.edu/maps/americas/central_america_ref02.jpg) and BBC, “Venezuela Key Facts – Flow of Crude and Refined Oil in 2005,” (2008), accessed June 21, 2008.

<http://news.bbc.co.uk/2/shared/spl/hi/guides/456900/456996/html/nn3page1.stm>.

The same cannot be said of the United States, which has had to reduce its reliance on Venezuelan crude oil through market forces and not government measures (Table 17).

**Table 17 - United States Import Statistics, Crude Oil (H.S. 27-09)  
for Year-to-Date January-November Values  
(in Barrels of Petroleum - BBP, millions)**

Trade Partner (Ranking)	2006	2007	2008	Trade Partner's Share of U.S. Import Trade		
				2006	2007	2008
<b>World</b>	2,719.6	2,706.6	2,649.1	100 percent	100 percent	100 percent
<b>1) Canada</b>	570.4	602.4	619.4	20.9 percent	22.2 percent	23.3 percent
<b>2) Mexico</b>	501.3	467.9	385.4	18.4 percent	17.2 percent	14.5 percent
<b>3) Nigeria</b>	357.5	379.7	314.1	13.1 percent	14.0 percent	11.8 percent
<b>4) Venezuela</b>	317.0	326.1	297.8	11.6 percent	12.0 percent	11.2 percent
<b>5) Saudi Arabia</b>	216.4	208.4	240.9	7.9 percent	7.7 percent	9.1 percent
<b>6) Angola</b>	162.2	169.4	162.8	5.9 percent	6.2 percent	6.1 percent
<b>7) Iraq</b>	74.8	68.3	91.0	2.7 percent	2.5 percent	3.4 percent
<b>8) Ecuador</b>	85.1	67.0	71.2	3.1 percent	2.4 percent	2.6 percent
<b>9) Brazil</b>	40.0	42.8	66.0	1.4 percent	1.5 percent	2.4 percent
<b>10) Algeria</b>	64.3	77.4	63.9	2.3 percent	2.8 percent	2.4 percent

Obs: Source: Global Trade Atlas, "United States Import Statistics: Crude Oil (H.S. 27-09), Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude." Accessed February 6, 2009, <http://www.gtis.com/gta/>.

An additional indicator of Chávez's vulnerability is the fact that the Venezuelan state oil company PdVSA has currently more than \$12 billion worth of global assets locked up in the United States, Great Britain, the Netherlands, and the Netherlands Antilles. PdVSA assets are facing possible seizure to compensate investors for the Chávez government's nationalization of foreign owned oil field development and equipment in the Orinoco River Basin oil belt in 2007.<sup>29</sup> At present some \$300 million of PdVSA assets are temporarily awaiting a court ruling in New York.

CITGO Petroleum Corporation (CITGO) is a United States corporation, PdVSA-owned refiner and marketer of gasoline, lubricants, petrochemicals, and other petroleum based products. CITGO has three major refineries in Texas (Corpus Christi), Louisiana (Lake Charles), and Illinois (Lemont) with a daily in-house refining capacity of 749,000 barrels of petroleum and more than 1.1 million barrels total (or roughly 1/14<sup>th</sup> of U.S.-national daily refining capability) through its participation in joint ventures.<sup>30</sup>

Venezuela's strategic economic vulnerability, coupled with declining reliance on Venezuelan crude and the absence of an interventionist extra-hemispheric rival, allows U.S. foreign policymakers to contain Chávez. A similar approach would most likely not have been possible during the Cold War. The Soviet Union's absence has tempered U.S. response to the post-Cold War's Latin American revolutionaries. Even Chávez has come

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<sup>29</sup> The different Orinoco oil field projects and companies affected are Sincor (PdVSA, Total, and Statoil) and Petrozuata (PdVSA, Conoco Phillips), Ameriven (PdVSA, Conoco Phillips, Chevron Texaco), and Cerro Negro (PdVSA, Exxon Mobil, BP). See BBC, "U.S. firms reject Venezuelan deal," (June 26, 2007), accessed June 21, 2008, <http://news.bbc.co.uk/2/hi/business/6239702.stm>.

<sup>30</sup> See CITGO, "Corporate Website – refining Capabilities," accessed June 21, 2008, <http://www.citgo.com/AboutCITGO/Operations/Refining.jsp>. The United States on an annual basis refines an average of 14.7 million barrels of petroleum on a daily basis. See Department of Energy – Energy Information Administration, "Refinery Net Production," (May 23, 2008), accessed June 21, 2008, [http://tonto.eia.doe.gov/dnav/pet/pet\\_pnp\\_refp2\\_dc\\_nus\\_mbbldpd\\_a.htm](http://tonto.eia.doe.gov/dnav/pet/pet_pnp_refp2_dc_nus_mbbldpd_a.htm).

to terms with the reality that the Cold War revolutionary path of armed leftist insurgencies has run its course and that a new means of defying the United States has to be found outside of the past era's paradigm.<sup>31</sup> For Chávez oil is a diplomatic and economic weapon to be used against the United States in an asymmetric political-diplomatic struggle for regional leadership.

### **A Note on the Venezuelan Case Study and the Means of Analysis**

The next two sections of Chapter 5 put Chávez's Bolivarian ideology into context, and discuss what Chávez calls "Socialism for the 21<sup>st</sup> Century," as well as how Congress is responding to Chávez's revolutionary agenda.

The Bolivarian section reviews Chávez's revolutionary credentials along with the origins of his Bolivarian ideology and "Socialism for the 21<sup>st</sup> Century." This section addresses how Chávez morphed from being the leader of what was initially seen as another run-of-the-mill Latin American military putsch into a democratically elected, anti-American president with a revolutionary leftist agenda. Chávez's Latin American (Bolivarian) agenda is also discussed in this section.

The second section builds on the preceding section by discussing the three main concerns of the United States Congress with regards to Chávez's Venezuela – the state of

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<sup>31</sup> Astounding foe and friend alike, Chávez has called on Colombia's largest guerrilla group to end its 40 year-long insurgency against the Colombian state. Chávez, in his June 8, 2008, television program *Aló Presidente* bluntly told the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia* - FARC) that "the guerrilla war is over" and that "at this moment in Latin America, an armed guerrilla movement is out of place. The FARC is classified by both Washington and the European Union as a terrorist organization and evidence is mounting that the Chávez government has provided arms and financing to the FARC in the past. See Romero, Simón, "Chávez Urges Colombian Rebels to End Their Struggle," in *The New York Times* (June 9, 2008), accessed June 9, 2008, <http://www.nytimes.com/2008/06/09/world/americas/09venez.html?ref=americas>.

democracy, energy, and human rights. This section highlights the measures that Congress has taken in response to Chávez's revolutionary agenda.

These final sections of Chapter 5 serve as the foundation for the next chapter. These serve as a prelude to Chapter 6, which combines the results of expert commentary with Blasier's theoretical propositions to draw conclusions that explain congressional action when dealing with Chávez's Bolivarianism. Both Chapters 5 and 6 conclude that although Chávez is increasingly perceived as an autocrat by both sides of the aisle in Congress, a sentiment similarly shared by the previous George W. Bush (R, 2001-09) administration, his policies have remained insufficiently radical to incite the United States even under Bush to enact measures similar to those levied at Sandinista Nicaragua during the Cold War. Consequently, the underlying premise of the analysis carried out argues that, barring the unexpected rise of an ideologically and politically and militarily powerful extra-hemispheric rival of the United States allying with Bolivarian Venezuela to undermine U.S. leadership in Latin America, Chávez will remain, to his own chagrin, merely a nuisance to the United States.

## **HUGO CHÁVEZ'S BOLIVARIAN IDEOLOGY AND "SOCIALISM FOR THE 21<sup>ST</sup> CENTURY"**

### **Defining Hugo Chávez Anti-Americanism and U.S. Foreign Policy for Venezuela: Applying Blasier's *Propositions 3, 4, 5, 6, 7, and 12***

Peter J. Katzenstein's and Robert O. Keohane's recent work on anti-Americanism places Chávez's anti-Americanism in context. Katzenstein and Keohane in "Anti-Americanism in World Politics," argue that there are distinct differences between the

four types of anti-Americanism and that these differences arise as a result of opinion and bias.<sup>32</sup>

Based on Katzenstein's and Keohane's distinctions made between opinion and bias, and its foreign policy implications, Chávez's anti-Americanism is of the sort that will transcend any one (U.S.) presidential administration regardless of party affiliation or control of the Houses of Congress. If this conclusion holds true, it bodes ill for the Barack Obama administration (D, 2009 to present). During the U.S. presidential campaign Obama said that he believes that although Chávez threatens the national security of the United States, because of his support for the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia - FARC*), this threat is nonetheless manageable.<sup>33</sup>

Obama believes that the threat to U.S. interests posed by Chávez can be managed by means of more direct high-level diplomatic dealings with his government (*Proposition 6*). This sort of engagement was largely put on hold during the Bush administration. Should this approach fail, Obama has alternatively proposed to contain Chávez by means of forceful Organization of American States (OAS) and or United Nations (UN) sanctions in order to obtain guarantees that his revolutionary government will refrain from unsettling the Latin American region (*Proposition 4*).<sup>34</sup>

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<sup>32</sup> See, Katzenstein, Peter J., and Robert O. Keohane, "Anti-Americanisms" in *Policy Review*, a publication of the Hoover Institution, Number 139 (October and November 2006), accessed June 8, 2008, <http://www.hoover.org/publications/policyreview/4823856.html>.

<sup>33</sup> Ramos, Jorge, "Entrevista con el candidato demócrata a la Presidencia de Estados Unidos: Obama asegura que Hugo Chávez es una amenaza, pero una amenaza manejable," in *Diario El Mercurio*, (June 11, 2008), accessed June 13, 2008, [http://diario.elmercurio.com/2008/06/11/internacional/\\_portada/noticias/7469E6C0-3F6E-49F5-AC2B-08DDDFE50D4D.htm?id={7469E6C0-3F6E-49F5-AC2B-08DDDFE50DAD}](http://diario.elmercurio.com/2008/06/11/internacional/_portada/noticias/7469E6C0-3F6E-49F5-AC2B-08DDDFE50D4D.htm?id={7469E6C0-3F6E-49F5-AC2B-08DDDFE50DAD}).

Obama proposes moving away from the preceding Bush administration's position of dealing with Chávez mainly at the lower level bureaucratic level (*Proposition 7*) to more direct senior-level negotiations (*Propositions 6 and 12*) to assure that he will continue to supply oil to the United States. Under this scenario which coincides with Senator Craig's comments from the Hearing of the Senate Committee on Foreign Relations – Energy Security in Latin America (June 22, 2006), dealings with Chávez will be defined by economic considerations and private business interests tied to the exploitation of Venezuela's oil reserves (*Proposition 5*). Such considerations will remain fundamental to the formulation of U.S. government policies towards the Chávez government and is compatible with overall foreign policies decided on strategic grounds.

Chávez's anti-Americanism is long-lasting and will endure a change of presidential administrations. Even with a change of parties controlling the White House following January 20, 2009, Chávez will nonetheless continue to fault the United States government, and accuse its leadership of having hegemonic pretensions over the Latin American region and Venezuela.

The Chávez government, much like Castorite Cuba, needs an ideological foe such as the United States in order to retain popular support domestically and abroad. But unlike past situations, Chávez's domestic support today is not being undermined by the United States financing and outfitting a counter-revolutionary force like it did in Cold War Nicaragua. Today Chávez is being undermined more insidiously by an annual inflation rate of more than 30 percent (2008).<sup>35</sup> What has changed since the end of the

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<sup>34</sup> Ibid.



Cold War, and has modified the way both the executive and legislative branches of the U.S. government deal with Latin American revolutionaries is the emergence of globalization.

The globalization of the world economy has fundamentally changed U.S. foreign policy. Latin American countries such as Venezuela stood to gain from this new reality and looked forward to increased attention by U.S. foreign policymakers in the White House and Congress. The end of the Cold War ushered in the possibility for commercial and economic issues to take on greater stature in foreign policymaking calculations. Narcotics trafficking, immigration, and the environment became key issues of importance at the beginning of the post-Cold War period since they combined both domestic and international aspects of importance to U.S. voters. The events of September 11, 2001, however necessitated a change of course and led the Bush administration to focus its resources outside of the Latin American region. Chávez exploited the Bush administration's distraction to build an anti-United States Bolivarian movement that seeks to challenge continued U.S. leadership by providing a socialist Latin American model of development and governance.

However, Chávez, despite record high international petroleum prices in 2008, faces growing internal dissatisfaction over the state of the Venezuelan economy which is

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<sup>35</sup> Fidel Castro, Chávez's ideological mentor, in this same manner made a post-revolutionary career out of accusing both Democratic and Republican administrations alike of holding such pretensions for nearly fifty years. Also Venezuela is in the midst of an economic slowdown with an annual inflation rate of 30 percent as well as an increasing crime rate. See *The Economist*, "Latin America's self-styled Bolivarian hero may be losing his populist touch," accessed June 28, 2008, [http://www.economist.com/world/la/displaystory.cfm?story\\_id=11541336](http://www.economist.com/world/la/displaystory.cfm?story_id=11541336).

traversing a period of high inflationary pressure (more than 18.7 percent in 2007 alone).<sup>36</sup> Interestingly enough it was economic instability that thrust Chávez onto Venezuela's political stage in 1992 and again in 1998 when he legitimately won control of the country's presidency via the ballot box, but also nearly resulted in his overthrow in 2002 when the unemployment rate hovered at nearly 19 percent.<sup>37</sup>

As argued in earlier chapters, since the early 1800s U.S. foreign policy has remained consistent in denying extra-hemispheric powers the possibility of establishing a foothold in the Americas that could be utilized to threaten the United States. Such an exclusionary policy objective will not change during the Barack H. Obama administration or with changes of party control of the Houses of Congress (*Propositions 3, 4, 6, and 12*).

Based on Katzenstein's and Keohane's argument, Chávez's anti-Americanism presents a consistently strong bias against the United States. Chávez distrusts the United States government, its policies as well as its motives, as much as he distrusts its leadership. Further compounding matters is Chávez's visceral distrust of American corporations which he sees as an unofficial extension of Washington's power (*Proposition 5*). For Chávez, American corporations have exploited Latin American countries and their resources at the behest of U.S. foreign policymakers. To Chávez, economic and commercial exploitation have traditionally been linked to political

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<sup>36</sup> CIA, (2008), <https://www.cia.gov/library/publications/the-world-factbook/geos/ve.html>.

<sup>37</sup> Global Insight, "Global Insight Report: Venezuela (Country Intelligence)," (June 17, 2008), accessed June 17, 2008, <http://myinsight.globalinsight.com/servlet/cet>.

subjugation, which is being articulated by Washington's recommendation that the countries of the region adhere to neo-liberal political-economic policies.<sup>38</sup>

What is important to take away from Katzenstein's and Keohane's distinctions about anti-Americanism, and makes it relevant in the context of the present discussion, is how Chávez's anti-Americanism differs from that of other international rivals of the United States like China. While the Beijing government has sought to secure natural resources (i.e., petroleum, iron ore, copper) in Latin America to fuel its burgeoning economic growth, its opinions of United States foreign policy and consequently its own anti-Americanism differ significantly from that of Chávez.

Chávez seeks to establish a new set of boundaries in the Latin American region by drawing in China and thereby creating a triangular relationship that he can use to keep the United States off balance while building momentum for the Bolivarian cause. Chávez hopes that Beijing's increasing economic involvement in the region will eventually become a political and diplomatic counterbalance to Washington's traditional hemispheric political and economic dominance.<sup>39</sup>

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<sup>38</sup> Neo-liberalism is characterized by the emphasis that is placed on the freedom of trade in goods and services, as well as the free circulation of capital and the ability to invest. As a theory it advocates the notion that sustained economic growth is ultimately the driver of human progress. Markets, free from undue government interference brought about by the inefficiency of the public sector as the primary engine of national economic life, are the most efficient drivers in the allocation of scarce resources. Neo-liberalism, wary of the state crowding out private investment, calls for the privatization of the public sector and restricting government's role to that of providing the necessary infrastructure to advance the rule of law and respect for property rights and contracts. See, Shah, Anup, "A Primer on Neo-liberalism," (July 2, 2007), accessed June 17, 2008, <http://www.globalissues.org/TradeRelated/FreeTrade/Neoliberalism.asp>.

<sup>39</sup> Although Venezuelan energy officials continue to say that Venezuela will not divert significant amounts of petroleum away from the United States to China, Chávez has been quoted as saying in reference to U.S. involvement in Venezuela's oil sector, ". . . hundreds of years of domination by the United States . . . now we are free, and place this oil at the disposal of the Chinese fatherland." See, Dumbaugh and Sullivan (2005), pg. 4.

However, Chávez fails to make the distinction between his own brand of anti-Americanism, premised on the need to create an alternative ideological pole of political, diplomatic, and economic attraction for the Latin American states, and that of China. Chinese anti-Americanism is based primarily on China's aspiration to regain (global) Great Power status, which it sees being blocked by Washington.

Chávez, as a would-be autocratic and sovereign nationalist, sees the United States as seeking to exert political, military, and economic hegemony in the Latin American region. Beijing's senior foreign policymaking leadership on the other hand takes a more subtle approach than Chávez. It (collectively) views Washington's foreign policy as fraught with hypocrisy and double standards. Yet China does not view today's U.S. foreign policy as being driven by classical American-style imperialism (19<sup>th</sup> and early 20<sup>th</sup> centuries variety), as alluded to by Chávez, nor are Washington's actions seen as being constrained by the sort of ideological blinders that characterized American foreign policy toward Nicaragua during the Cold War.

While Chávez may aspire to become a radical anti-American revolutionary leader for the region much like Castro was during the Cold War, times have changed. Chávez nevertheless is intent on promoting Bolivarianism with the same intensity of revolutionary fervor that characterized Havana's Marxist-Leninist zeal when at its height it was associated with "violent revolution against U.S.-sponsored regimes."<sup>40</sup> However, today radical (violent) anti-Americanism directed towards the United States and its Latin

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<sup>40</sup> Shah, (2007).

American allies is no longer feasible given the absence of an interventionist extra-hemispheric power that would serve as a buffer to the threat of U.S. retaliation.

Chávez, despite himself, is coming to terms with this reality, forcing himself to conclude that armed insurrection is no longer a viable means for toppling pro-U.S. governments such as that of neighboring Colombia. As an alternative to armed insurrection Chávez is proposing Bolivarianism, with its anti-systemic and nationalist calls to move away from economic and political dependence on the United States, as being the only viable non pro-United States option for redefining Latin American regional leadership and economic relations (e.g., through PetroCaribe's role).

China on the other hand, as another sovereign nationalist, is also an anti-American state. Yet China's anti-Americanism differs from that of Bolivarian Venezuela's in the sense that despite its unfavorable judgments of the United States and its policies, which it sees as orchestrated to prevent China's resurgence as a Great Power, it is receptive to new information that may sway its opinions and conclusions about the United States and its policies.<sup>41</sup> Chávez, short of a radical change that alters the basic forms of societal governance in the United States and its policies toward Venezuela, remains shackled by the predisposition to believe all negative reports about the United States. Bound to such thought processes, Chávez is incapable of accepting the possibility of positive reports about the United States.

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<sup>41</sup> Neil Gross argues that it is Chinese distrust rather than bias that characterizes Chinese anti-Americanism. Gross cites Alastair Johnston and Daniela Stockmann, who contributed the China chapter in Katzenstein's and Keohane's *Anti-Americanism in World Politics*, and argue that "Chinese 'anmity' toward the United States is in decline as China asserts itself as a budding superpower. However, Chinese dislike for U.S. economic and cultural power is 'still quite distant from the level of hatred and bias' the Chinese direct at Japan and the Japanese." See, Gross, Neil, in "The Many Stripes of Anti-Americanism," in *The International Herald Tribune*, (January 15, 2007), accessed June 8, 2008, pg. 2, <http://www.ihf.com/articles/2007/01/15/america/web.0115americanism.php?page=1>.

Although Chávez's sovereign nationalism may sway endemically impoverished and politically unstable countries such as Bolivia, or even obtain support from traditional rivals of the United States for hemispheric leadership such as Argentina, it lacks the ideological rigor of the Marxist-Leninism advocated by the Castro regime during the height of the Cold War. Chávez's anti-American Bolivarianism is constrained by the fact that it cannot be easily replicated by other Latin American countries, thus lacks ideological appeal that can cross state and societal boundaries. Chávez's anti-Americanism, even in Venezuela, is only feasible as long as international oil prices remain high since the sale of Venezuelan crude to the U.S. energy market finances Bolivarian initiatives that buy the government continued political support.<sup>42</sup>

Despite the shallow roots of Bolivarianism as an ideology and Chávez's dependence on continued access to the U.S. energy market, Chávez's anti-Americanism has often found a receptive audience in the region because of U.S. foreign policy blunders. In the post-Cold War there has been a disjuncture in U.S. foreign policy objectives not just for Venezuela, but for the entire Latin American region.

Most Latin Americans envisioned that with the end of the Cold War the United States would finally turn its attention to the region and assist in its development.

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<sup>42</sup> To help quantify this assertion it is worthwhile to recall how dependent, and thus fiscally exposed, the Chávez government is to the fluctuations of international oil market prices. The Economist Intelligence Unit (EIU) indicates that if Venezuela's oil prices average \$85 per barrel in 2007, PdVSA's net financial surplus should hover at the \$10 billion range. This is Chávez's "war chest" for financing acquisitions (i.e. compensation for nationalized industries). However once investment spending and transfers to the national development fund (*Fondo Nacional de Desarrollo* – FONDEN) are made the cash surplus drops to roughly \$2.3 billion. Even with the price of oil surpassing the \$100 per barrel, the average year-to-year oil price remains at roughly \$92 per barrel (end of April 2008). Chávez, looking at between \$8 to 10 billion in compensation payments to companies affected by the nationalization of the oil sector, remains constrained with what he can and cannot pay for. See Economist Intelligence Unit – Country Briefing, "Venezuela Politics: Nationalization Drive Continues," (May 19, 2008), accessed June 1, 2008, [http://www.viewswire.com/index.asp?layout=VWArticleVW3&article\\_id=1763369561&country\\_id=154000154&page\\_title=Latest+analysis](http://www.viewswire.com/index.asp?layout=VWArticleVW3&article_id=1763369561&country_id=154000154&page_title=Latest+analysis).

However, in the wake of the events of September 11, 2001, and the wars in Afghanistan and in Iraq, the Latin American region has again been allocated a lower priority among U.S. foreign policymakers. The Latin American states which were hoping that the United States would finally pay “greater attention to the region’s acute social agenda, reduce agricultural subsidies, and implement liberal immigration laws,” have been frustrated<sup>43</sup>

The extent of the disjuncture in U.S. foreign policy for Latin America as a whole, and in Venezuela’s case in particular, was raised in Michael Shifter’s testimony before the House Committee on Foreign Affairs in June 2007. Shifter, as vice president of policy for the Inter-American Dialogue, testified before Congress that the United States has lost much of its credibility with Chávez and Latin America as a result of the April 2002 coup d’état attempt against the Chávez government. In Shifter’s own words:

“Even more costly have been the serious missteps in dealing with Hugo Chávez, the main adversary of the United States in South America. The United States lost considerable credibility on the democracy question in April 2002, when it expressed its approval of the short-lived coup against Chávez. It has been hard to square that initial position (which was later corrected) with the U.S. claim that it is defending interruptions in democratic, constitutional governments. In general, the U.S. policy towards Venezuela under Chávez has been inconsistent and contradictory. Sometimes the United States has been confrontational – at other times too passive. The approach has showed little strategic thought, and has been ineffective. The occasional tit-for-tat rhetorical exchanges with Chávez have been counterproductive and have only bolstered his popularity. Our friends in the region have also resented the U.S. pressure on them to stand up and condemn Chávez. Looking for a South American leader to play the role of the anti-Chávez has proved futile and self-defeating.”<sup>44</sup>

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<sup>43</sup> Shifter, Michael, “South America and the US: How to Fix a Broken Relationship,” statement before the House Committee on Foreign Affairs (June 19, 2007), accessed October 10, 2007, <http://www.thedialogue.org/PublicationsFiles/testimony.pdf>.

<sup>44</sup> *Ibid.*, pg., 2

## **Defining Hugo Chávez as a Revolutionary Putschist: Revolutionary Credentials: Applying Blasier's *Propositions 1, 3, and 4***

In contrast to the Sandinista revolution that came to power by militarily defeating the Somoza Debayle dictatorship, Hugo Chávez's revolutionary credentials lack a similar successful revolutionary luster. Recall from Chapter 4 that in the late 1970s as the Somoza Debayle government was entering its twilight hours, the administration of President Carter, confronted by the deteriorating political-military and economic situation in Nicaragua, was trapped between two opposing policy options: 1) declaring the Sandinista revolutionary movement to be a hostile, anti-American insurrection with links to the Soviet Union (*Proposition 1 and 3*), thereby turning a blind eye to the Somoza Debayle government and all its faults in order to suppress the Sandinista revolution out of strategic considerations (i.e., retain hemispheric political primacy – *Proposition 11*) or; 2) abandon Somoza Debayle outright and seek accommodation with the FSLN if they same could be persuaded to temper its demands and potential policies once in power (*Proposition 4*).

Unlike the Sandinistas, Chávez failed in his attempt to overthrow the government of Carlos Andrés Pérez (1989-93) during the February 4, 1992 coup and alter the country's societal organization by the force of arms. The Sandinistas had partial success in reorganizing Nicaraguan society from 1979-90, while Fidel Castro's Cuban revolution and revolutionary government (1959 to present) has fully succeeded as evidenced by the smooth transfer of power to his brother Raúl Castro (acting President from July 31, 2006 to February 24, 2008, and President from 2008 to present). Chávez's (homegrown) bid for power caught the world unaware. The lack of a link to a hostile, extra-hemispheric



power (*Proposition 1 and 3*) negates the possibility of a comparison with the Sandinista revolution.

Chávez took up arms not just against the Pérez administration, but rather rebelled against the continuation of Venezuela's unwritten system of governance and its power sharing rules known as the *Punto Fijo*.<sup>45</sup> This governance pact, born out of the fear of a return to the sort of military rule characteristic of the pre-1945 period, sought to moderate socio-political demands by requiring consultations among the country's main political parties – *Acción Democrática* (AD), *Comité de Organización Política Electoral Independiente* (COPEI), and *Unión Republicana Democrática* (URD).<sup>46</sup> Although the *Punto Fijo* pact attempted to delineate socio-political responsibilities, its primary objective was to assure the sustainability of a narrow form of democracy by guaranteeing the equitable participation of all the major parties in the cabinet of the winning party.

However as Richard Lapper indicates in “Living with Hugo: U.S. Policy towards Hugo Chávez's Venezuela,” by the 1980s Venezuelan democracy had become flawed

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<sup>45</sup> The electoral law decreed in May 1958 by the provisional junta convoked elections for December 1958. Nonetheless the parties making up the Patriotic Front were unable to reach consensus on a single candidate. This inability to reach a consensus leads the *Acción Democrática* (AD), *Comité de Organización Política Electoral Independiente* (COPEI), and *Unión Republicana Democrática* (URD) parties in October to draw up the Pact of *Punto Fijo* whereby the parties' leadership agreed to resume cooperation after the December elections. The parties agreed not only to a common policy but more importantly from a stability perspective, to divide cabinet posts and other governmental positions among themselves regardless of which candidate won the December elections.

<sup>46</sup> *Caudillismo* (strong-man politics) and military rule have characterized most of Venezuela's political history. Strong-men and the military ruled Venezuela from its independence period until the country's brief experiment with democratic rule during the three year period ranging from 1945 to 1948 (known in Venezuela as *trienio* or triennial). In 1948 the military rebelled against the AD government as a reaction to the former's radical reforms that had alienated Venezuela's traditional economic elite. Eventually the military regime's oppressive measures motivated former political enemies in AD and the conservative COPEI to unite and sign the political pact known as *Punto Fijo* which ensured political cooperation between the main political parties. This pact became effective in 1958 with the removal of the ruling military regime and ushered in Venezuela's Fourth Republic. See Economist Intelligence Unit, “Venezuela: Country Profile 2008.” London, United Kingdom: Economist Intelligence Unit, 2008, pg., 4, accessed June 16, 2008, [http://www.eiu.com/report\\_dl.asp?issue\\_id=18529881704&mode=pdf](http://www.eiu.com/report_dl.asp?issue_id=18529881704&mode=pdf).

and seriously “corrupt, undermining popular support for the establishment.”<sup>47</sup> Popular (mass) dissatisfaction with the *Punto Fijo* system grew as a result of the fact that both AD and COPEI used their control over state welfare resources to openly reward their membership. The population was also dissatisfied with the governing system’s inability to effectively deal with plummeting international oil prices.<sup>48</sup> As a result, the Pérez administration found itself unable to maintain the traditional patronage networks and social programs guaranteeing socio-political stability.<sup>49</sup>

To stem further financial and economic hemorrhaging brought about by the collapse in oil prices, Pérez implemented a number of far reaching, painful structural adjustments measures recommended by the International Monetary Fund (IMF).<sup>50</sup> Among these adjustment measures was the termination of state subsidies for gasoline and diesel fuel. In light of falling oil prices, it will be interesting to see how Chávez deals with this situation when it becomes increasingly difficult to finance the purchase of ballot box support through social welfare programs dependent on high oil prices.

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<sup>47</sup> Lapper, Richard, “Living with Hugo: U.S. Policy towards Hugo Chávez’s Venezuela.” New York, NY: Council of Foreign Relations, CSR Number 20 (November 2006), pg. 6.

<sup>48</sup> Both Lapper and the International Crisis Group concur that the *Punto Fijo* system suffered from being unable to respond to economic recession and falling international oil prices, as well as the fact that the AD and COPEI political parties’ stranglehold on Venezuela’s economic and political life made the parties beholden to party bosses and not to individual constituents. As a result, social policy was geared toward providing “cheap, universal coverage of public services but failed to pursue comprehensive development so as to improve the quality of life, reduce social inequity, and improve productivity.” See, Lapper, pg. 6 and the International Crisis Group, “Venezuela: Hugo Chávez’s Revolution,” in Latin America Report Number 19 (February 22, 2007), pg. 3.

<sup>49</sup> Lapper, pg. 6.

<sup>50</sup> For an overview of the evolution of oil prices see Appendix 9 – Annual Average of West Texas Intermediate (Texas Light Sweet) Crude Oil Prices, 1946 to present (2007). Note that Venezuela’s heavier “sour” (higher sulfur content crude) as represented by the “Standard Maya” variety normally trades at a 20 percent discount compared to West Texas Intermediate.

The end of fuel subsidies brought about an immediate spike in public transportation costs affecting Caracas' urban poor and lower middle class, sectors which were already largely excluded from the *Punto Fijo* system of patronage. The ensuing increase in public transportation costs led to massive popular protests in February 1989, whose intensity verged on the precipice of becoming a full-blown popular uprising. The riots, largely concentrated in Caracas, became known as the "*Caracazo*" and resulted in hundreds of deaths. For Chávez, the riots brought the weakness of Venezuela's governing system to the forefront. For decades it ignored the demands of the poor and concentrated the benefits arising from the country's oil wealth in the supporters of the *Punto Fijo* system. Today, Chávez is facing growing domestic oil consumption and the need to import gasoline to meet demand and avoid raising fuel prices. To counteract such growth the Chávez government is decreeing that at least 30 percent of new cars must run on natural gas in 2009, rising to 40 percent in subsequent years. Yet such measures have already been delayed and watered down by plummeting international oil prices.<sup>51</sup>

Pérez, who during his first administration (1974-79) had overseen prolific government spending when oil prices were high, during his second term as President moved to embrace the "Washington Consensus" and its macro economic recommendations. These recommendations, along with the IMF austerity measures, called for deep government spending cuts, trade liberalization, free exchange and interest rates, reduced price controls, and the implementation of a sales tax.<sup>52</sup>

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<sup>51</sup> Oxford Analytica.

<sup>52</sup> International Crisis Group, pg., 3-4.

Chávez's own discontent with Venezuela's governing system, linked to the uninterrupted flow of oil to the U.S. energy market, however, predates the *Caracazo*. According to Cristina Marcano and Alberto Barrera Tyszka in *Hugo Chávez: The Definitive Biography of Venezuela's Controversial President* while still a junior officer in the Venezuelan army, Chávez became disillusioned with the country's political corruption and social inequity leading him to conspire with other likeminded individuals to create the Bolivarian movement within the military.<sup>53</sup> Chávez was able to organize a Bolivarian movement within the military through his official position as an instructor at the Venezuelan military academy (1981-84).

At the military academy, Chávez adroitly exploited his position to influence and ultimately recruit cadets to his cause by appealing to a misguided sense of nationalism. Chávez sought to inspire the cadet corps, as well as fellow officers to rise against what he perceived to be the enemies of the Venezuelan poor and under-represented masses. Chávez assigns responsibility for what he calls Venezuela's "hunger, corruption, indigence, unemployment, and misuse of our nation's immense riches" to the United States, and its allies within Venezuela's political and economic establishment as represented by the *Punto Fijo*.<sup>54</sup>

Chávez and his fellow conspirators determined that the most opportune time to launch their coup against the Pérez government and put an end to the *Punto Fijo* system of governance would be somewhere along the midway point of the administration when

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<sup>53</sup> Marcano, Cristina and Alberto Barrera Tyszka in "Hugo Chávez: The Definitive Biography of Venezuela's Controversial President." New York, NY: Random House, 2007, pg., 46-47.

<sup>54</sup> Comments attributed to Pedro Carreño, one of Chávez's students from the 1985 graduating class and in later years a Chávez party Congressman. See, Marcano and Barrera Tyszka, pg. 49.

the government's popular approval would in all likelihood be at a low point.<sup>55</sup> By timing their coup to the 1991-92 rotations, the conspirators also reasoned that they could take advantage of the next cycle of military promotions, granting them greater authority over the military command structure and resources.<sup>56</sup>

Chávez and the Bolivarian movement within the military benefited from the events associated with the *Caracazo*. The riots radicalized the lower echelons of the Venezuelan military after its junior officers were ordered to turn their weapons on the urban masses. In Chávez's own words, the *Caracazo* "sensitized many people in the military, especially the youngest ones, who had experienced the horror up close," serving to "accelerate things considerably."<sup>57</sup> As unlikely as it may seem, the military's senior leadership discounted mounting evidence that Chávez was plotting a revolution. Prior to the coup attempt the Ministry of Defense promoted Chávez to the rank of lieutenant colonel in August 1991. Further compounding matters, the Minister of Defense and other senior officers not only approved his promotion despite the evidence against him, but also signed off on giving Chávez command of a battalion of combat paratroopers.<sup>58</sup>

By February 1992, the Pérez government had already faced 120 protests and 46 strikes, with the President's approval rating suffering a precipitous decline because of the economic austerity measures.<sup>59</sup> At this low point of popular backing for the Pérez

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<sup>55</sup> Approval ratings according to the "*hammock thesis*" purport that support for the government is highest at the beginning and at the end of an administration and lowest in the middle as represented by the curve of a hammock. *Ibid.*, pg. 54.

<sup>56</sup> *Ibid.*, pg. 54.

<sup>57</sup> *Ibid.*, pg. 55.

<sup>58</sup> *Ibid.*, pg. 59.

government, Chávez launched his coup in the early morning hours of February 4, 1992. However, by the end of the day the coup failed and Chávez, along with another 2,367 uniformed men, roughly 10 percent of the total battalion strength of the Venezuelan armed forces, surrendered to the Pérez government.

In an unexpected turn of events, the Pérez government permitted Chávez to turn defeat around to avoid the sort of political and military disgrace that befell Panama's dictator, (1983-90) General Manuel Noriega.<sup>60</sup> Unlike Noriega who was paraded in front of the cameras in his undershirt, Chávez remained composed and fully uniformed when he ordered his followers to surrender via a live televised feed.<sup>61</sup> Chávez's own words, unedited and broadcast at 10:30 a.m. the day of the coup best illustrate his defiance and forewarning that Bolivarianism remained a viable (political-military) force:

“First of all, I want to say good morning to the people of Venezuela. This Bolivarian message is for the brave soldiers who are presently at the Paratroopers' Regiment in Aragua and the Armored Brigade in Valencia. *Compañeros* (comrades): unfortunately, for now, the objectives we established in the capital were not achieved. That means that we, here in Caracas, did not succeed in taking control [of the government]. You did an excellent job out there, but it is now time to avoid more bloodshed, it is now time to reflect. New situations will present themselves. The country must find the definitive path toward a better destiny. Listen to what I say. Listen to Commander Chávez, who sends out this message so that you will please reflect and lay down your weapons, because now, truly, it is impossible for us to meet the objectives we established on the national level. *Compañeros* (comrades): listen to this message of solidarity. I thank you for your loyalty, your bravery, your generosity, and as I stand before the nation and all of

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<sup>59</sup> Marcano and Barrera Tyszka indicate that by February 1992, 81 percent of the Venezuelan population had lost faith in Pérez and 57 percent also indicated that they wanted a new government. *Ibid.*, pg. 65.

<sup>60</sup> Noriega surrendered to U.S. forces on January 3, 1990.

<sup>61</sup> See Appendix 10 – The Symbolism of Defeat: Pictorial Difference between the Fate of Panama's General Manuel Noriega and Venezuela's Lieutenant Colonel Hugo Chávez following their Surrender.

you, I assume the responsibility for this Bolivarian military movement. Thank you very much.”<sup>62</sup>

Summed up, Chávez’s Bolivarian military coup attempt failed to usher in a revolutionary government in 1992. The United States was consequently spared the need to decide, like it had been forced to do with the Sandinistas in 1979, to choose between the suppression of a revolutionary government or seeking accommodation with it (*Proposition 4*) and its ties to anti-American extra-hemispheric powers.

### **Defining Hugo Chávez’s Bolivarianism and the Status of Socialism for the 21<sup>st</sup> Century**

In the wake of the failed 1992 coup and following Chávez’s “for now” (*por ahora*) surrender speech many people in and outside of Venezuela questioned what the Bolivarian movement was. Since the events of February 4, 1992, Bolivarianism as a revolutionary form of governance has been interpreted as an anti-systemic and democratic socialist interpretation of the ideas of Simón Bolívar (the Venezuelan leader of South America’s nineteenth century wars of independence) which uses the country’s oil wealth to contest U.S. regional leadership. While Chávez’s 1992 coup attempt failed and resulted in his imprisonment, his Bolivarian military insurrection against the constitutional authority brought to the forefront deep disillusionment with Pérez and the *Punto Fijo* political arrangement. Chávez’s attempt to address the country’s corruption and political ineffectiveness by non-constitutionalist means bought him folk-hero status.<sup>63</sup>

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<sup>62</sup> Chávez’s surrender speech. Marcano and Barrera Tyszka., pgs. 74-75.

<sup>63</sup> See, Economist Intelligence Unit, 2008, pg. 5.

Pardoned by the government of Rafael Caldera (1993-98), Chávez was freed from prison in 1994 and immediately proceeded to exploit lingering popular dissatisfaction with Venezuela's political and economic arrangements. Chávez went on to win the presidential election in 1998, trumping his rivals with more than 56 percent of the vote (the largest majority in Venezuelan democratic political history until then). Chávez won the elections largely on the campaign pledge to replace the discredited *Punto Fijo* political arrangement with a new Bolivarian Republic (Fifth Republic - *Quinta República*) ushering in a new era of popular and participatory governance in Venezuela.

In the wider context of foreign affairs, the U.S. Department of State interprets Chávez's "Bolivarian Revolution" as being a (revolutionary) movement that calls on other countries to help establish a "multipolar world devoid of U.S. influence and for greater integration among developing countries (e.g., regional integration via the PetroCaribe petroleum assistance initiative)."<sup>64</sup> The Bolivarian revolution within Venezuela's borders represents a nationalist, anti-capitalist assertion of sovereign (state) rights on natural resources coupled to a redistribution of the country's wealth to the previously under-represented masses by means of social development.

Graphs 6 and 7 highlight the connection between Chávez's political fortunes and oscillations in the barrel price of petroleum. Upon assuming the presidency in February in 1999, Chávez moved rapidly, as promised during the campaign, to organize support for rewriting Venezuela's national constitution.<sup>65</sup> Voters, mobilized by the need to fix a

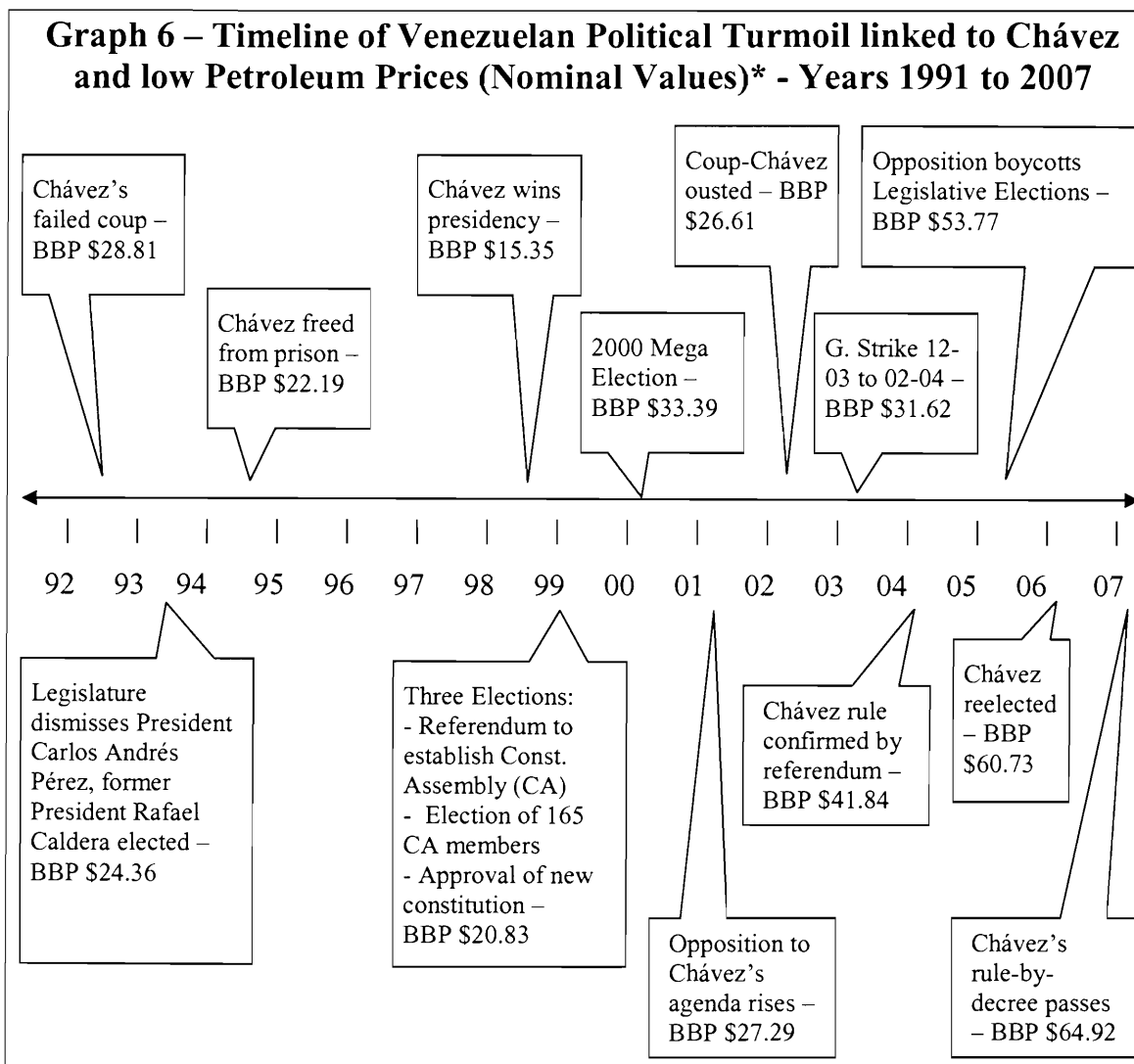
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<sup>64</sup> See, United States Department of State – Bureau of Western Hemisphere Affairs, "Background Note: Venezuela," accessed June 25, 2008, <http://www.state.gov/r/pa/ei/bgn/35766.htm>.

<sup>65</sup> Economist Intelligence Unit, 2008, pg. 5.



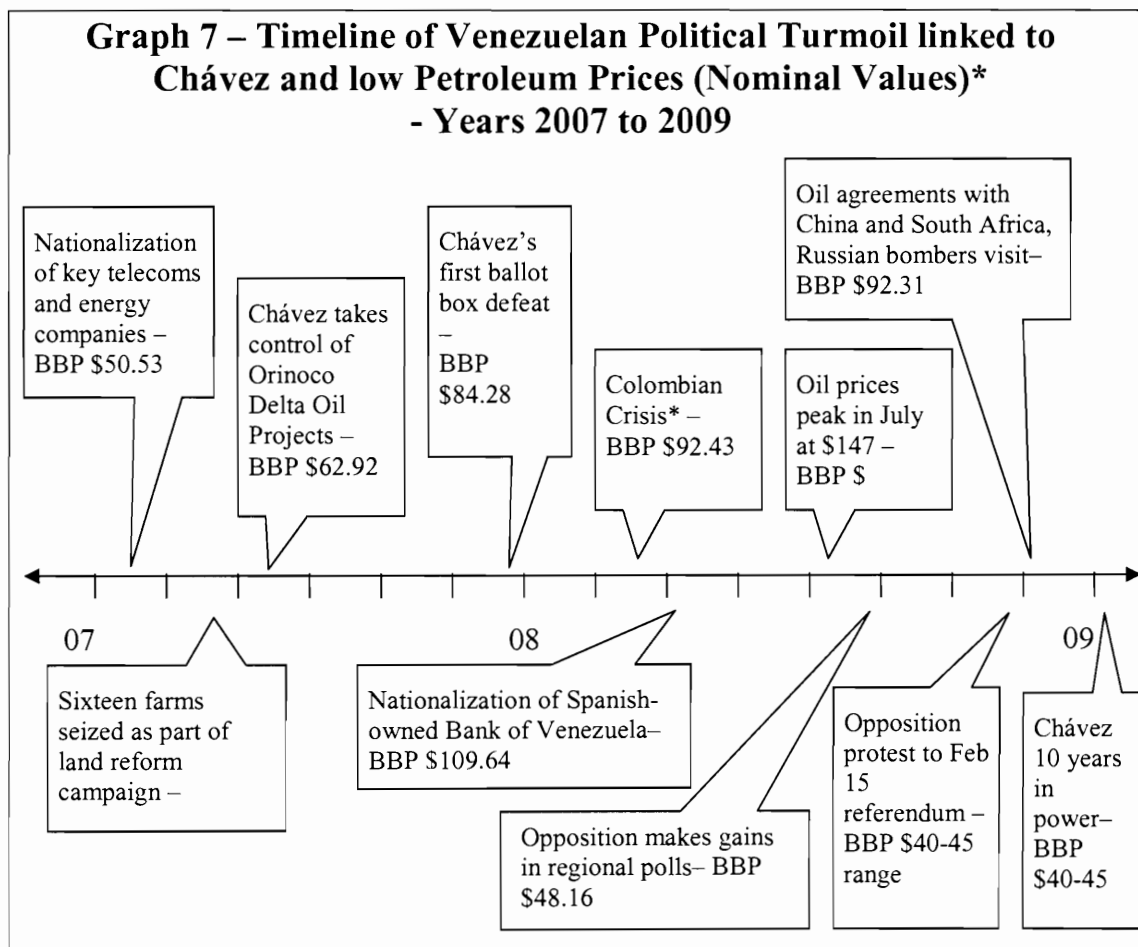
broken political system which had been tied for decades to the health of the country's oil sector, overwhelmingly supported Chávez's request to convene a constituent assembly.



OBS: BBP = barrel price in U.S. dollars. Price cited is for West Texas Intermediate (WTI), inflation adjusted. Note WTI is also known as Texas Light Sweet crude and used as benchmark in oil pricing and the underlying commodity of the New York Mercantile's Exchange's oil futures contracts. It is a higher grade of crude (e.g. lower sulfur content, easier flowing), thereby commanding a higher price than the typical Venezuelan heavy crude (higher sulfur content). (\*) See Appendix 8 for the inflation adjusted average of annual BBP price compared to inflation adjusted figures based on calendar year 2007 rates. The positions of call outs on the timeline serve as approximations for the actual dates of events.

Source: Oil and Gas Confidential, "Historical Crude Prices: The Annual Averages of WTI Crude Oil Prices," (March 2008), accessed June 18, 2008, [http://www.oilandgasconfidential.com/Historical\\_Crude\\_Prices.html](http://www.oilandgasconfidential.com/Historical_Crude_Prices.html).

In three months the constituent assembly drafted a constitution and put it to a vote in the July 2000 elections which were held to re-legitimize elected posts. With oil prices high, Chávez is re-elected with 60 percent of the vote. However, abstentions total 43.5 percent of the ballots cast.<sup>66</sup>



OBS: BBP = barrel price in U.S. dollars. Prices are for “average landed cost of crude oil imports” and reflect the monthly acquisition, which can be the month of loading, or sometime between such events. (\*)Value in the “Colombian Crisis” callout is the average of January, February, and March 2008 values. Source: United States Department of Energy – Energy Information Agency (EIA). “Petroleum Marketing Monthly.” Washington, DC: EIA, (February 2008), accessed, February 6, 2008, [http://www.eia.doe.gov/pub/oil\\_gas/petroleum/data\\_publications/petroleum\\_marketing\\_monthly/current/pdf/pmmtabl.pdf](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_marketing_monthly/current/pdf/pmmtabl.pdf).

<sup>66</sup> Ibid. pg., 5.

Although Chávez failed to gain power in the 1992 coup, ballot box victories allowed him to refine his anti-systemic Bolivarian ideology into “21<sup>st</sup> Century Socialism.” Chávez advocated a larger role for the state in the economy via re-nationalization of privatized sectors.<sup>67</sup> Constrained by the democratic process, the price of petroleum has been a two-edged sword that has facilitated revolutionary reforms when oil prices are high but breathed new life into the political opposition when prices are low.

While Chávez’s revolutionary socialist designs had been slowed by defeat in the December 2007 polls, causing the government and its backers to take a step back to reflect on the course of events, this period of reflection is now over. There was widespread agreement among analysts that Chávez would use the November 2008 elections to gather support and momentum for further entrenching and expanding Bolivarianism with the intent of revisiting the proposed reforms struck down during the December 2007 election. In that poll, the electorate had been asked to approve the “authorized” unlimited re-election vote of Venezuelan presidents and the convening of a constituent assembly to transform the country’s political framework into a socialist

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<sup>67</sup> Venezuela’s opening of its petroleum sector during the Rafael Caldera government (1993-98) in 1996 lead to extensive trade and investment opportunities for U.S. corporations. The Venezuelan state’s intent to assert for itself a greater role in the national economy, in particular the petroleum, telecommunications, electricity, cement and steel sectors, as well as select companies in the meat and milk distribution sectors is seen as constituting a threat to private property rights. The result of the uncertainty regarding property rights coupled to high inflation (forecasted to exceed 30 percent in 2008) and foreign exchange controls is reducing the space for the private sector and consequently deterring private investment. See, U.S. Department of State – Bureau of Western Hemisphere Affairs, “Background Note: Venezuela,” accessed June 25, 2008, <http://www.state.gov/r/pa/ei/bgn/35766.htm>. Juridical uncertainty combined with structural flaws (i.e., poor regulatory enforcement, corruption, and a high degree of politicization are undermining growth in the medium term and contributing to the possibility of a severe economic crisis in the future. Global Insight, “Global Insight Report: Venezuela (Country Intelligence),” (June 17, 2008), accessed June 17, 2008, <http://myinsight.globalinsight.com/servlet/cet>.

republic. Gains by the opposition in capturing five of the twenty provincial governorships did not stymie Chávez's desires for a new referendum in February 2009.

It is worthwhile to recall that besides a major constitutional reform, which envisions a greater role for the state in the national economy, Chávez's "21<sup>st</sup> Century Socialism" is premised on four key foundations: 1) approval of the law that will allow Chávez to fast-track the passing of legislation via presidential decrees; 2) boosting public education; 3) the overhaul of Venezuela's administrative landscape, and; 4) the further strengthening of communal council powers with the aim of eventually replacing the current local-level state authorities.<sup>68</sup>

The December 2007 polls neither approved unlimited presidential re-election, nor allowed Chávez to move forward with his intent to reform the national constitution.<sup>69</sup> The Venezuelan electorate then also voted down Chávez's attempt to reconfigure Venezuela's administrative map. With Chávez's right to rule-by-decree coming to an end in 2008, he banked on a strong showing in the November 2008 gubernatorial and

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<sup>68</sup> According to Mark P. Sullivan and Nelson Olhero, on August 15, 2007, Chávez announced a series of proposed constitutional changes, including the elimination of presidential term limits in order to concentrate political power in the presidency. His other proposed changes included the extension of the presidential term from six to seven years, the removal of Central Bank autonomy, and changes in the administrative division of the Venezuelan state and the structure of local government. Chávez also proposed the nationalization of the energy sector, as well as the reduction of the workday to six hours. He also proposed the creation of a popular militia as the fifth component of the armed forces. See, Sullivan, Mark P., and Nelson Olhero, "Venezuela: Political Conditions and U.S. Policy, a CRS Report for Congress." Washington, DC: Congressional Research Service, (September 4, 2007), accessed June 22, 2008, 1, <http://stinet.dtic.mil/cgi-bin/GetTRDoc?AD=ADA471983&Location=U2&doc=GetTRDoc.pdf>.

<sup>69</sup> A key reason why the December 2, 2007, constitutional reform poll failed to pass is attributed to the high number abstentions. Previously more than 76 percent of eligible voters participated in the December 2006 poll compared to about 56 percent in the December 2007 poll. Furthermore roughly 3 million fewer voters supported the 2007 reform proposals than supported Chávez in 2006. See, Sullivan and Olhero (2008), pg. 19.

municipal elections in order to revitalize his socialist agenda and plans for constitution reform which would allow him to run for re-election in 2012.<sup>70</sup>

The U.S. government has publicly stated in numerous U.S. Department of State press briefings over the years that Chávez is a democratically elected head of state. As such Chávez may put forward ideas that the United States disagrees with, yet ultimately it is up to the Venezuelan people to decide which form of governance best suits their needs. For example, this was clearly articulated during the U.S. Department of State daily press briefing of January 19, 2007, in which Tom Casey, the department's deputy spokesman responded when queried about Chávez's increasingly authoritarian policies:

“President Chavez is the elected President of Venezuela. He has put forward plans and ideas internally in Venezuela that, you know, have caused us some concern, including a current proposal that's working its way through the legislature to give him power to rule by decree. Again, that's the sovereign right of Venezuela but certainly is a bit odd in terms of a democratic system.

In terms of his role in the hemisphere, well, I think as far as we're concerned there is a positive agenda for the hemisphere that we've laid forward. It's an agenda that's shared by the vast majority of countries in the hemisphere and frankly that's what we prefer to concentrate on. The economic issues and the efforts to move towards -- what I believe he calls a 21<sup>st</sup> Century Socialism -- are things that again are -- we talked about this at the gaggle this morning with respect to Bolivia. Countries can choose whatever economic policies they wish to, though, that needs to be done in the context of their international agreements. I have seen commentaries written by a number of people in the region that say that 21<sup>st</sup> Century Socialism looks a lot like 20<sup>th</sup> century communism. But whether this serves the interests of the Venezuelan people or not is something that the Venezuelans themselves are going to have to decide.”<sup>71</sup>

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<sup>70</sup> Barbel, Marion, “Venezuela: New Exports Ban and Un-limited Re-election Back on the Venezuela Agenda” in *Global Insight* (January 11, 2008), accessed January 11, 2008, [http://myinsight.globalinsight.com/servlet/cats?documentID=2142337&serviceID=4078&pageContent=art&context=email&src=pc&source=email\\_alert&source\\_id=4&p1=296247&date=2008'01.11](http://myinsight.globalinsight.com/servlet/cats?documentID=2142337&serviceID=4078&pageContent=art&context=email&src=pc&source=email_alert&source_id=4&p1=296247&date=2008'01.11).

<sup>71</sup> Casey further clarified that “Chávez is free to speak his mind and he certainly has shown no hesitancy to do so. But again, our focus is not worrying about him or his comments.” The United States' focus is

However, the U.S. government remains concerned by the Chávez government's intent to further dilute Venezuela's constitutional checks and balances on executive power. Concerns have been raised among the Venezuelan opposition and in Washington about Chávez's attempts to concentrate power in the presidency. By staffing key positions in the attorney general's office, the Supreme Justice Tribunal, and the electoral council with active duty and retired military officers loyal to him, Chávez is progressively bringing under his control entities that would otherwise offer a constitutional buffer against unbridled presidential ambitions.

### **Defining Hugo Chávez Bolivarian Agenda for Latin America: Applying Blasier's *Proposition 3***

The lack of an anti-American, extra-hemispheric patron (*Proposition 3*) has not impeded Hugo Chávez's desire to become involved in the internal affairs of other Latin American and Caribbean states. Chávez's actions has raised concerns in conservative foreign policy circles (e.g., the American Enterprise Institute and the Heritage Foundation) in Washington that seek to influence both the White House and Congress by arguing that Chávez's involvement in the affairs of his neighbors needs to be seen as constituting a challenge, even though a limited one at the moment, to the United States.<sup>72</sup>

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working with "its partners in the hemisphere to do the kinds of things that is generally agreed by all members of the OAS that we want to see happen." See comments attributed to Casey, Tom, "U.S. Department of State Daily Press Briefing," (January 19, 2007), accessed October 11, 2007, <http://www.state.gov/r/pa/prs/dpb/2007/79056.htm>.

<sup>72</sup> In 2002, U.S. congressmen Barney Frank (D-Pennsylvania, 1981 to present), John Conyers (D-Michigan, 1965 to present), Chaka Fattah (D-Pennsylvania, 1995 to present), Jan Schakowsky (D-Illinois, 1999 to present), Jose Serrano (D-New York, 1990 to present), and eleven others complained in a letter to President

However Chávez has opted to limit his assistance to financial assistance as highlighted by the fact that since first taking office in 1998 he has provided the Latin American and Caribbean region with almost \$9 billion in foreign aid commitments.<sup>73</sup>

Reminiscent (if to a limited degree) of Soviet-style Cold War era interventionist policies, deemed during that time period to be non-constructive by the United States, Chávez has sought to broker the release of Colombia's FARC prisoners (including three American civilian contractors) in order to gain increased diplomatic stature and leverage among the Latin American states. At the same time, Chávez's procurement of weaponry, much of it offensive in nature, from the Russian Federation was seen by the Bush administration and Congress as constituting an undisguised ploy to intimidate if not threaten Venezuela's neighbors.<sup>74</sup>

In the Hearing of the U.S. House of Representatives, Committee on Armed Services' "National Defense Authorization Act for Fiscal Year 2007 and Oversight of Previously Authorized Programs," held on March 16, 2006, Congressman Duncan Hunter

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George W. Bush that the United States was not adequately protecting Chávez against a groundswell of internal opposition to his increasingly authoritarian rule--an upsurge that might lead to his ouster. See, Halvorssen, Thor, "Comandante Chavez's Friends: Hugo Chavez supports Saddam Hussein and terrorism. Several congressional Democrats support Chavez. What's wrong with this picture?" *The Weekly Standard*, (March 11, 2003), accessed March 1, 2008, <http://www.weeklystandard.com/Content/Public/Articles/000/000/002/346jorji.asp?pg=1>.

Also see, Falcoff, Mark, "The Mystery of Hugo Chávez," (January 16, 2007), accessed May 21, 2008, [http://www.aei.org/publications/filter.all.pubID.25450/pub\\_detail.asp](http://www.aei.org/publications/filter.all.pubID.25450/pub_detail.asp), for background on why Chávez's attempts to convince Colombia and the larger, politically more stable and unified states of Argentina or Brazil to submit to Venezuelan leadership will fail. According to Falcoff Chávez is limited to "shopping among the friendless, vulnerable micro-states of the Caribbean or (lately) in small and troubled republics like Nicaragua and Ecuador" for support. More importantly as an indicator of Chávez's lack of geopolitical relevance to the United States and its continued ability to be seen as the Latin American region's partner of preference is his failed bid to sway Mexico to his leadership.

<sup>73</sup> Murphy, Dan, "As Chávez gains Latin American stature, analysts wonder about implications for US," in *The Christian Science Monitor* (August 31, 2007), accessed September 6, 2007, <http://www.csmonitor.com/2007/0830/p99s01-duts.html>.

<sup>74</sup> Ibid.

(R-California, 1981 to 2009) stated that developments in Latin (South) America are crucial for the outcome of the war in Iraq and Afghanistan.<sup>75</sup> Hunter argues that while the U.S. Southern Command and Colombia have been combating narco-terrorists for years, neighboring Venezuela under the sway of “Castro admirer” Chávez is “aggressively importing weaponry out of proportion to his needs and recklessly provokes the United States.”

While Chávez has publicly sought to maintain cordial relations with the Alvaro Uribe government in neighboring Colombia, his involvement in the internal affairs of Colombia has raised suspicions of ulterior motives. United States-Colombian suspicions about Chávez’s involvement with the FARC have subsequently been proven true, although denied by Chávez, with the capture of incriminating evidence linking his government to Colombia’s insurgent revolutionary forces.

## **THE UNITED STATES CONGRESS AND HUGO CHÁVEZ**

### **U.S. Congressional Concerns in Dealing with Hugo Chávez versus the Concerns of the United States Government as a Whole**

The United States government’s concerns as a whole with Chávez’s policies can be summed up as: 1) the scope of his military purchases; 2) relations with Cuba and Iran; 3) the export of Bolivarian populism to the Latin American region; 4) the state of Venezuelan democracy; 5) Caracas’ failure to cooperate with the United States in

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<sup>75</sup> See, Hunter, Duncan in “United States House of Representatives, Committee on Armed Services, “National Defense Authorization Act for Fiscal Year 2007 and Oversight of Previously Authorized Programs.” Washington, D.C. (March 16, 2007), accessed May 25, 2009, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109\\_house\\_hearings&docid=f:33790.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_house_hearings&docid=f:33790.pdf).



combating drug trafficking, and; 6) Venezuela's unwillingness to cooperate with the United States in fighting the war on terrorism.

The U.S. Congress for its part has focused extensively on two critical issues in the U.S.-Venezuela bilateral relationship which have domestic political ramifications in the United States: 1) energy issues, which impacts U.S. economic interests in terms of domestic fuel prices and; 2) the state of Venezuelan democracy and its degradation's impact on human rights in that country.<sup>76</sup>

U.S. foreign policy towards Chávez's Venezuela is formulated along traditional lines. Much like the case through the past half century, Congress has remained concerned with Latin American countries' economic development as a driver of domestic social peace, stability, and harmony. Blasier finds that a key indicator of how the bilateral relationship between the United States and a revolutionary government will evolve depends on how Washington reacts to the nationalization of American property.<sup>77</sup>

For example, Richard Saull points out that in the Cuban case studied by Blasier, the United States sought to initially guide the Cuban Revolution through offers of involvement towards specific goals that rested on what were perceived as mutual economic interests even though Havana was in the process of expropriating American

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<sup>76</sup> The U.S. Congress can make foreign policy through resolutions and policy statements, legislative directives, legislative pressure, legislative restrictions/funding denials, informal advice, and congressional oversight. According to Richard Grimmett, "under these circumstances, the executive branch can either support or seek to change congressional policies as it interprets and carries out legislative directives and restrictions, and decides when and whether to adopt proposals and advice." See Grimmett, Richard F., "Foreign Policy Roles of the President and Congress," (June 1, 1999), accessed June 17, 2008, <http://fpc.state.gov/fpc/6172.htm>.

<sup>77</sup> See, Saull, Richard. "Rethinking Theory and History in the Cold War: The State, Military Power, and Social Revolution." London, Great Britain: Routledge, 2001, pg. 182.

holdings.<sup>78</sup> Chávez, who has only fairly recently commenced to nationalize foreign properties in Venezuela, has unlike Castro usually made good faith efforts to provide compensation (i.e., the CANTV re-nationalization). Chávez's actions permit U.S. policymakers to continue to remain vigilant but nonetheless still craft conciliatory policies in the hope that Caracas will continue to ensure the preservation of mutual economic interests, namely the continued uninterrupted flow of oil to the United States (*Proposition 4*).

### **U.S. Congressional Energy Issue Concerns in Dealing with Hugo Chávez: Blasier's Propositions 4, 5, 10, and 12**

As highlighted in the previous sections, continued U.S. access to Venezuelan petroleum was a major concern of the Bush administration and the 110<sup>th</sup> Congress (2007-08) (*Proposition 5*). The U.S. Congress as a whole is cognizant of the fact that high oil prices fund Chávez's revolutionary agenda and that this agenda is not dependent on financial backing by an extra-hemispheric, anti-American power as was the case in Cold War Nicaragua (*Proposition 3*).

Given the weak demand outlook for the petroleum exporting countries, with prices remaining low through 2009 and into 2010 compared to 2008's record high prices, Chávez will be hard pressed to radically and expeditiously move ahead with his economic goal of increasing the state's control over national production in key sectors of the Venezuelan economy. Chávez will continue, if somewhat limitedly, to use oil profits to fund additional nationalizations and land reform as well as boost social spending in

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<sup>78</sup> Ibid., pg. 182.

poverty alleviating programs. Chávez's reforms will affect U.S. economic interests (*Propositions 5 and 10*), but not necessarily U.S. vital interests (thus no need for suppression based on *Propositions 3, 4, and 11*).

In 2007 the U.S. Congress responded to Chavez's policy measures impacting the U.S. energy market by passing House Resolutions (H.R.), expressing its concern about Venezuela's actions in the oil sector (i.e., H.R. 560), as well as by passing Senate Bills (S.B.) calling for greater hemispheric cooperation on energy issues (i.e., SB 193 – The Energy Diplomacy and Security Act of 2007 and S.B. 1007 – The United States-Brazil Energy Cooperation Pact of 2007). The 110<sup>th</sup> Congress's action has been brought about by the Chávez government's June 26, 2007, announcement of its intent to pressure foreign (United States-based) oil majors such as ExxonMobil and ConocoPhillips to sign new Orinoco River Basin oil belt partnership agreements in which the state would acquire majority ownership.<sup>79</sup> This is a case that falls within Blasier's *Proposition 12* whereby the United States government's response is shaped as much as by the President and his cabinet as it is by Congress working with U.S. corporations seeking to pressure Venezuela out of a combination of security, economic, and bureaucratic considerations to adhere to the rule of law.

Note that Chávez, while setting May 1, 2007 (May Day holiday) as the deadline for the government to assume control over the extra-heavy oil Orinoco River Basin projects, his government did nonetheless permit the affected foreign oil majors to negotiate the terms of their conversion to minority partners until June 26, 2007. British

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<sup>79</sup> Four other oil majors – British Petroleum, Total, Statoil, and U.S.-owned Chevron – have subsequently agreed to assume minority partnership in the renegotiated contract agreements. See, Sullivan and Olhero (2008), pg. 2.

Petroleum (Great Britain), Total (France), Statoil (Norway), and Chevron (United States) signed new partnership agreements with PdVSA whereby they would assume a minority role in the exploitation of these fields on June 26.

However Chávez and two other oil majors, ExxonMobil and ConocoPhillips, failed to reach agreement on a negotiated level of adequate compensation reflecting the fair market value of the expropriated assets. ExxonMobil and ConocoPhillips were, when negotiations ceased, demanding roughly \$5 billion in (combined) compensation for their Orinoco assets and investments. The Chávez government refused to meet these demands for compensation. Subsequently on August 29, 2007, Venezuela's Minister of Energy, Rafael Ramírez, submitted to the Venezuelan National Assembly a new law transferring ownership of ExxonMobil's and ConocoPhillips's assets to state control without contemplating the possibility of any compensation being paid for these assets.<sup>80</sup>

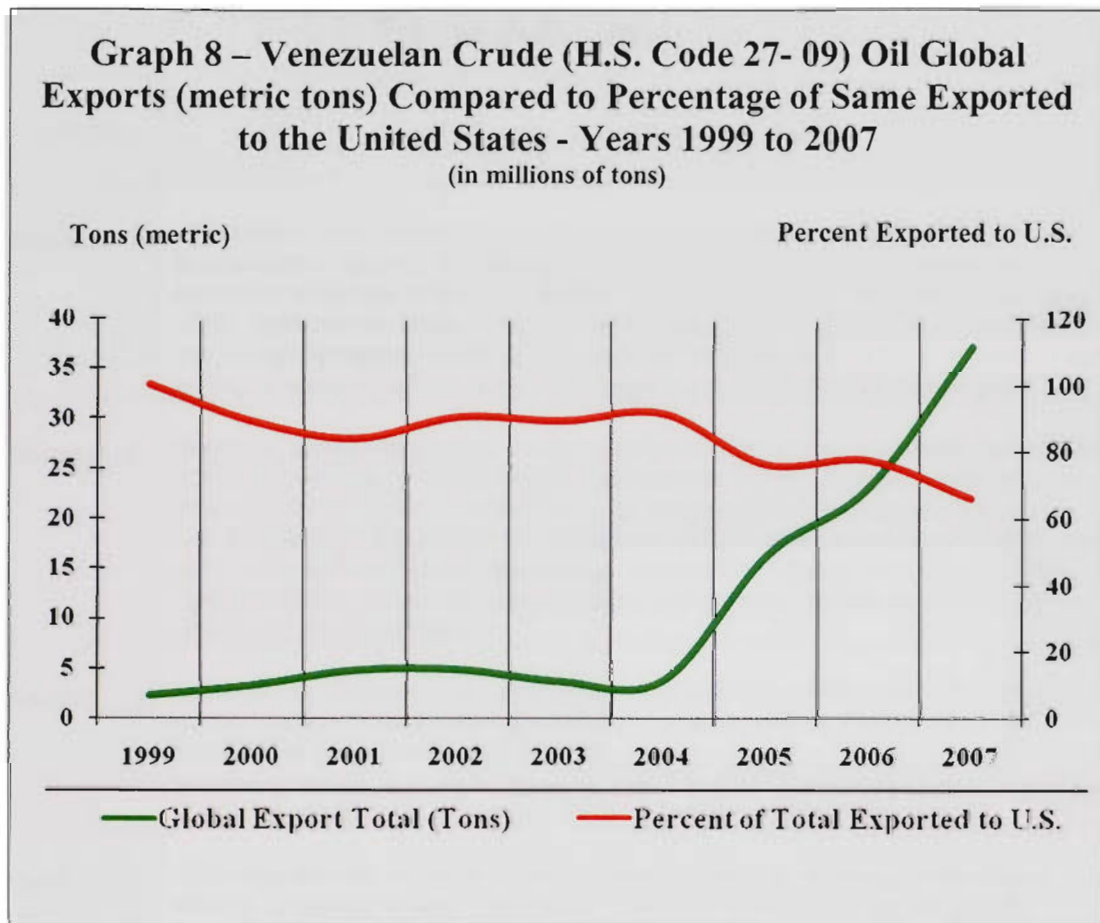
Representative Ileana Ros-Lethinen, the ranking Republican in the House Foreign Affairs Committee, exerting oversight, called on the Bush administration to investigate PdVSA's dealings with Iran's Petropars. While Ros-Lethinen's inquiry of the PdVSA-Petropars relationship is not a direct factor in the Venezuela - ExxonMobil/ConocoPhillips dispute, it indicates congressional interest in exerting oversight (e.g., via the Iran Sanctions Act) and shows the links between petroleum sourcing and concerns with foreign, extra-hemispheric powers cooperating with Chávez.<sup>81</sup> Despite the

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<sup>80</sup> Ibid., pg. 39.

<sup>81</sup> See, U.S. House of Representatives – House Foreign Affairs Committee, “Press Release: Ros-Lehtinen Calls for Investigation into Possible Violations of U.S. Law by Venezuelan State Oil Company Linked to Iran,” (February 6, 2008), accessed February 6, 2008, [http://foreignaffairs.republicans.house.gov/apps/list/press/foreignaffairs\\_rep/080206venezuela.shtml](http://foreignaffairs.republicans.house.gov/apps/list/press/foreignaffairs_rep/080206venezuela.shtml).

ExxonMobil /ConocoPhillips compensation dispute and Chávez’s Iran dealings, Chávez remains a reliable if unfriendly supplier of oil to the U.S. energy market (Graph 8).<sup>82</sup>



Source: Global Trade Atlas, “Venezuela Export Statistics: Commodity: 27-09, Petroleum Oils and Oils Obtained from Bituminous Minerals, Crude,” accessed June 22, 2008, <http://www.gtis.com/gta/>.

<sup>82</sup> Note that the drop off in the percentage of crude oil being shipped to the United States can be attributed to a combination of other factors besides Chávez’s inflammatory rhetoric. These include Venezuela’s commitment to supply PetroCaribe member states with more affordable oil, diversification of trading partners, as well as the drop in Venezuelan production caused by lack of investment and other non-productive turmoil in the country’s oil sector. OPEC reports that since 2006 there has been a drop in Venezuelan in total (daily) oil production from an average of 2,539 million barrels in 2006 to 2,392 million barrels in 2007 to roughly 2,345 million barrels in May 2008. Production levels in Venezuela are actually down by 11.9 percent in May 2008 compared to April 2008. See, Organization of Petroleum Exporting Countries, “Monthly Oil Market Report,” (June 2008), Hasan M. Qabazard (editor-in-chief), pg. 32, accessed June 25, 2008, <http://www.opec.org/home/Monthly%2001%20Market%20Reports/2008/pdf/MRO62008.pdf>.

**Table 18 – Applying Blasier’s Propositions to United States Congressional Action in dealing with the Chávez Government and Energy Issue Concerns**

<b>Proposition</b>	<b>Explaining Congressional Action</b>
<b>Number 4</b>	USG leaders have signaled a conciliatory response to the Chávez government since it has determined that this revolutionary government will (eventually) negotiate an acceptable settlement of issues in conflict. This is due to the fact that the country itself vitally dependent on access to the U.S. energy market for its own political survival and that such an agreement precludes the interference of a hostile Great Power (there is none willing or seriously able to contest U.S. hegemony in the Latin American region).
<b>Number 5</b>	Economic considerations (e.g., continued access to Venezuela’s petroleum reserves) and private business interests (reaching an agreement on fair and prompt compensation for nationalized U.S. business investments (e.g. compensation for ConocoPhillips and Exxon Mobil) are important in the formulation of USG policies and are compatible with policies decided on strategic grounds (e.g. assuring that Venezuela remains a reliable supplier of crude in times of war). Concerns with growing Chinese and Iranian interest in the Latin American region.
<b>Number 10</b>	Strategic considerations (e.g., assuring the continued flow of oil to the U.S. energy market) and or private interests prevail (e.g., compensation for the U.S.-based oil majors) over bureaucratic considerations and are incorporated into the internal bargaining process (e.g., both branches of the U.S. government see Chávez as a nuisance U.S. economic interests and not as a threat to vital U.S. security interests.
<b>Number 12</b>	USG responses are shaped by: 1) the President acting with or through cabinet-level officers; 2) leaders of large corporations working with the U.S. Congress and the executive and 3) middle level diplomats and civil servants. Responses with regards to the continued flow of Venezuelan oil are the result of security, economic, and bureaucratic considerations.

Source: Blasier, 1985, pgs. 236-237.

In a Joint Hearing of the United States House of Representatives, Committee on Government Reform – Subcommittee on National Security, Emerging Threats, and International Relations – “Energy as a Weapon: Implications for U.S. Policy,” held on May 16, 2006, Congressman Darrell Issa (R-California, 2001 to present) indicated that Chávez threatened the United States in April 2004 and in February 2006 with suspending

oil sales if it continued to “intervene in Venezuela’s domestic affairs.”<sup>83</sup> Chávez aims to exploit U.S. dependence on imported oil to threaten U.S. economic security and the effectiveness of foreign policy (e.g., promotion of democracy and human rights).

Table 18 highlights that despite the threats Chávez continued to keep his pre-Iraqi War promise to remain a reliable wartime supplier of petroleum.<sup>84</sup> Congressional action in dealing with Chávez’s revolutionary challenges remains influenced by energy security and Venezuela’s guarantee to keep oil flowing to the U.S. energy market.

In the greater scheme of things even with the 2006 scaling back to approximately 68 percent of Venezuela’s oil exports being earmarked for the U.S. energy market, this sort of commitment by Chávez falls within Blasier’s *Proposition 4*. As a consequence the United States will opt for conciliatory responses since it has determined that Chávez’s revolutionary government will negotiate an acceptable settlement of issues in conflict and that such an agreement precludes the interference of a hostile extra-hemispheric power.<sup>85</sup>

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<sup>83</sup> See, Issa, Darrell, in United States House of Representatives, Committee on Government Reform – Subcommittee on National Security, Emerging Threats, and International Relations – “Energy as a Weapon: Implications for U.S. Policy.” Washington, D.C. (May 16, 2006), accessed May 25, 2009, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109\\_house\\_hearings&docid=f:31181.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_house_hearings&docid=f:31181.pdf).

<sup>84</sup> Sullivan and Olhero, (2005), pgs. 39-40.

<sup>85</sup> However on November 5, 2007, the 110<sup>th</sup> Congress approved House Resolution 435 by voice vote which “expresses concern over the emerging national security implications of the Iranian regime’s efforts to expand its influence in Latin America.” Sullivan and Olhero indicate that this resolution noted Venezuela’s support for Iran in the International Atomic Energy Agency and planned for a \$2 million Iranian-Venezuelan fund for investment in third countries, as well as the establishment of direct civilian flights between both countries. See Sullivan and Olhero (2008), pgs. 50-51.

**U.S. Congressional Concerns in Dealing with Hugo Chávez, the National Endowment for Democracy, and the State of Venezuelan Democracy: Blasier's Propositions 3, 5, 8, 9, and 12**

An indicator of congressional interest in Chávez is the number of resolutions, bills, and hearings that reference the state of democracy and how its deterioration under Chávez's increasingly autocratic rule is impacting human rights.<sup>86</sup> The 108<sup>th</sup> Congress (2003-04) expressed its concerns by means of the Hearing of the Senate Foreign Relations Committee – Subcommittee on Western Hemisphere held on June 24, 2004 to assess the possible impact of the August 2004 recall referendum on Venezuela's democracy (*Proposition 12*).<sup>87</sup>

What is significant about the June 2004 hearing is that it discussed the continued funding of U.S. democracy-promoting projects in Venezuela. In this sense the conference report to the Fiscal Year (FY) 2005 Consolidated Appropriations Act (Division B of Public Law – P.L. 108-792) required a comprehensive report on the National Endowment for Democracy's (NED) activities in Venezuela dating back to FY 2001, as well as required that the Endowment ensure that all of its activities adhere to core NED principles (*Proposition 9*).<sup>88</sup> The NED inquiry resulted from the need to review the events

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<sup>86</sup> Note that Congress does not act in a vacuum. Its resolutions, bill, and hearings are the product of constituent concerns. However, constituents are both individual voters and U.S. businesses. The latter of which, thanks to vastly greater financial resources can hire the best lobbyists on K Street (Washington, D.C.) and exert a disproportionate level of influence on congressional actions.

<sup>87</sup> See, United States Senate, Foreign Relations Committee – Subcommittee on Western Hemisphere, The "State of Democracy in Venezuela." Washington, D.C. (June 24, 2004), accessed May 25, 2009, <http://foreign.senate.gov/hearings/2004/hrg040624p.html>, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108\\_senate\\_hearings&docid=f:96730.wais](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108_senate_hearings&docid=f:96730.wais), and Miguel Diaz, "Testimony: The Threat to Democracy in Venezuela and its Implications to the Region and to the United States," Washington, D.C. (June 24, 2004), accessed May 25, 2009, pg. 2, <http://foreign.senate.gov/testimony/2004/DiazTestimony040624.pdf>.

<sup>88</sup> See, Sullivan and Olhero, pgs. 52-53.



leading up to the April 12-14, 2002, political-military coup that temporarily removed Chávez from office. Chávez, once restored to power by pro-Chávez government forces, accused the U.S. Department of State, the U.S. Embassy in Caracas, and NED representatives in Venezuela of having orchestrated a bid to oust him by using the country's opposition as a proxy for U.S. action (e.g., a situation, if true which falls within *Proposition 6*).<sup>89</sup>

Senator Norm Coleman (R-Minnesota, 2003-09), Chairman of the Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs in the June 2004 hearing's opening commentary indicated that the political situation in Venezuela represents the most important test of democracy in the Western Hemisphere.<sup>90</sup> Coleman's concerns demonstrate the continuity of traditional U.S. congressional concern with Latin American economic and political development. Here Coleman states:

“The United States has a tremendous interest in what happens in Venezuela. Venezuela is in our neighborhood. The Western Hemisphere is, by and large, a

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<sup>89</sup> Senator Christopher J. Dodd (D-Connecticut, 1981 to present) as Chairman of the United States Senate Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs of the Senate Foreign Affairs Committee requested that Inspector General of the United States Department of State and the Broadcasting Board of Governors Office of Inspector General (OIG) conduct a review of U.S. policy and actions during the weekend of April 12-14, 2002, and the six month period prior to that date. Senator Dodd sought to ascertain whether the United States was involved directly or indirectly in the events that precipitated Chávez's ouster. More specially, Dodd sought an answer to the question of whether the actions and policies of the United States government were consistent with the U.S. policy in support of the Inter-American Democratic Charter, as well as whether the NED's programs and activities were carried out in Venezuela in a manner consistent with U.S. law and policy. OIG concluded in its report that there was nothing to indicate that U.S. assistance programs in Venezuela, including those of the NED, were inconsistent with U.S. law or policy. See, United States Department of State and the Broadcasting Board of Governors Office of Inspector General, “A Review of U.S. Policy toward Venezuela: November 2001 – April 2002,” Report Number 02-OIG-003 (July 2002), pgs. 2-3 and 37, accessed January 15, 2008, <http://oig.state.gov/documents/organization/13682.pdf>.

<sup>90</sup> See, Coleman, Norm, in “United States Senate, Foreign Relations Committee – Subcommittee on Western Hemisphere, “The State of Democracy in Venezuela.” Washington, D.C. (June 24, 2004), accessed May 25, 2009, <http://foreign.senate.gov/hearings/2004/hrg040624p.html>, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108\\_senate\\_hearings&docid=f:96730.wais](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108_senate_hearings&docid=f:96730.wais).

community of democracies. We do not want to see any steps backward in what has been a very encouraging stride toward democracy in recent decades, particularly in a country like Venezuela with such a strong democratic tradition. We cannot afford to see a large exodus of Venezuelans fleeing their nation. We are interested in preventing terrorism and drug trafficking in the region. And it goes without saying that Venezuela is a major energy supplier to the United States. Another major disruption in Venezuela will hurt average Americans at the gas pump.

We in the United States may have an interest in what happens in Venezuela, but it is the Venezuelan people who must have the opportunity to determine the future of their nation for themselves. What we in the United States can do is support, even insist upon, a fair process as guaranteed under the Venezuelan Constitution and as agreed upon by the Chavez government and the opposition. We in the United States can press for respect for universal human rights, such as the right of free assembly and the right to express one's political views without fear of retribution.

I also believe America can and should take exception when President Chavez makes disparaging remarks about our President and our troops in Iraq. These are times when words matter.

Relations between the United States and Venezuela are in a difficult state, and I acknowledge that the mutual distrust is not entirely unrelated to the handling of the 2002 coup attempt. In spite of these bad feelings, I believe we must continue to work with the Venezuelans where at all possible to pursue shared goals.”<sup>91</sup>

What is worthwhile to note about Coleman’s comments above is that they summarize traditional policy concern not just for Venezuela but for the entire Latin American region. There are references to (representative) democracy, political persecution, immigration, narcotics trafficking, and terrorism. All of these issues have gained importance in congressional deliberations in the post Cold War.

As a result of this type of concern, the 109<sup>th</sup> Congress (2005-06) increased the number of hearings and legislative action relating to the state of Venezuelan democracy. Of particular importance to how the 109<sup>th</sup> Congress reacted to Chávez brand of

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<sup>91</sup> Ibid.

revolutionary change was its appropriation of \$2 million in democracy funds for NED to use for promoting democracy in FY 2006.<sup>92</sup> On December 6, 2006 in Senate Resolution 607, Congress also condemned, Chávez's recourse to anti-American rhetoric at the United Nations (September 20, 2006) as well as his undemocratic actions.

As Sullivan and Olhero indicate, the House of Representatives also passed House Resolution 2601 (House Report – 109-168) with its provisions for funding “activities in support of political parties, the rule of law, civil society, an independent media, and otherwise promote democratic, accountable governance in Venezuela.”<sup>93</sup> At the same time, other legislative action undertaken during the 109<sup>th</sup> Congress included House Concurrent Resolution 224 which called on the Chávez government to uphold human rights and civil liberties, as well as House Concurrent Resolution 328 which condemned Chávez's anti-democratic actions (*Proposition 12*). Another measure, although not completed during the 109<sup>th</sup> Congress, was Senate Resolution 587 which sought to condemn ‘the anti-democratic actions and statements of the leaders of Iran, Cuba, and Venezuela and expressed concern about the national security implications of the relationship between these leaders (*Proposition 3, barely*).<sup>94</sup>

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<sup>92</sup> These funds, along with \$2.25 million in funding for the Andean Counter-drug Initiative, were contained within the Foreign Operations appropriation measure (P.L. 109-102, H.R. 3057, House Report 109-265).

<sup>93</sup> Sullivan and Olhero, (2008), pg. 52.

<sup>94</sup> Sullivan and Olhero also indicate that during the 109<sup>th</sup> Congress oversight hearings were held on Venezuela policy issues. The House International Relations Committee – Subcommittee on the Western Hemisphere held a hearing on November 17, 2005 on the status of Venezuelan democracy as a follow-up to its earlier hearings of March 9 and September 28 on the status of democracy in Latin America which also addressed Venezuela's democracy. See *Ibid.*, pg. 52.

**Table 19 – Applying Blasier’s Propositions to United States Congressional Action in dealing with the Chávez Government and the State of Venezuelan Democracy Concerns**

<b>Proposition</b>	<b>Explaining Congressional Action</b>
<b>Number 3</b>	USG will respond to revolutionary governments in accordance to the latter’s perceived links to the United States’ strongest Great Power rival. Strategic considerations will shape whether USG responses are conciliatory or suppressive. Senate Resolution 587, which sought to condemn ‘the anti-democratic actions and statements of the leaders of Iran, Cuba, and Venezuela and expressed concern about the national security implications of the relationship between these leaders.’
<b>Number 5</b>	Economic considerations and private business interests are important in the formulation of USG policies and are compatible with policies decided on strategic grounds. However, strategic factors take precedence over economic considerations. For example, the 110 <sup>th</sup> Congress enacted the Consolidated Appropriations Act for FY 2008 (P.L. 110-161, Division J), which although it does not specify the funding of the U.S. State Department’s international broadcasting operations targeting Venezuela, the joint explanatory statement for the bill does however express support for restoring shortwave and medium wave transmissions to Venezuela.
<b>Number 8</b>	USG responses determined by departmental officials are in line with those of U.S. private interests or at least do not blatantly oppose these interests. For example, the 110 <sup>th</sup> Congress enacted the Consolidated Appropriations Act for FY 2008 (P.L. 110-161, Division J).
<b>Number 9</b>	USG responses involve intra-agency conflict. Bureaucratic considerations will condition USG response. A key example of this is the conference report to the Fiscal Year (FY) 2005 Consolidated Appropriations Act (Division B of Public Law – P.L. 108-792) which required a comprehensive report on the National Endowment for Democracy’s (NED) activities in Venezuela dating back to FY 2001, as well as requiring that the Endowment ensure that all of its activities adhere to core NED principles.
<b>Number 12</b>	USG responses are shaped by: 1) the President acting with or through cabinet-level officers; 2) leaders of large corporations working with the U.S. Congress and the executive and 3) middle level diplomats and civil servants. Responses are the result of security, economic, and bureaucratic considerations. For example, the 108 <sup>th</sup> Congress expressed its concerns by means of the Senate Foreign Relations Committee – Subcommittee on Western Hemisphere hearing held during June 2004 to assess the possible impact of the August 2004 recall referendum on Venezuela’s democracy.

Source: Blasier, 1985, pg. 236.

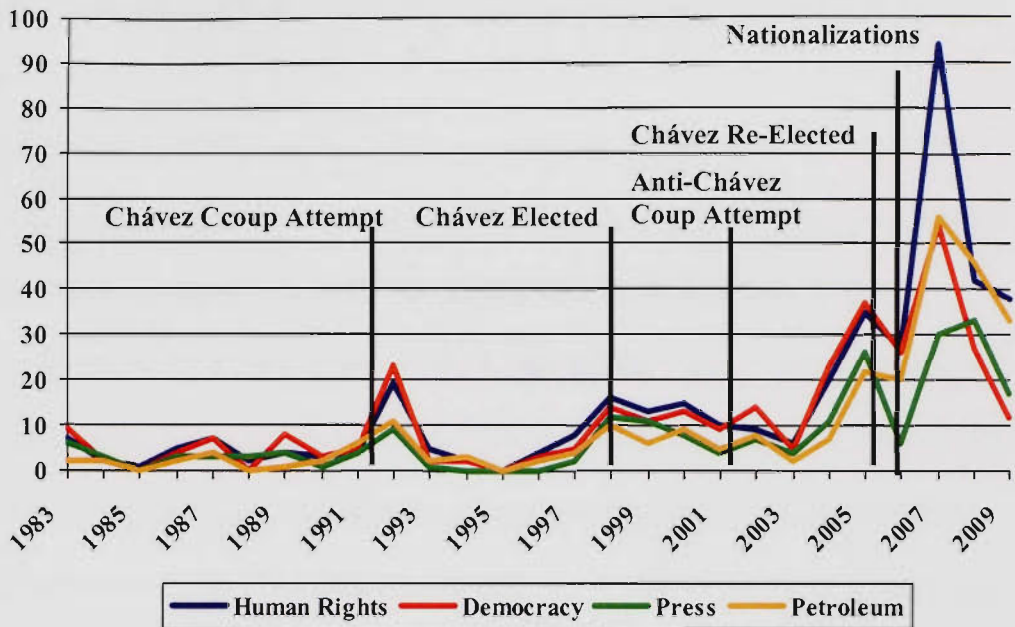
Evidence of mounting congressional concern (Table 19) with Venezuelan democracy and human rights is seen in the 110<sup>th</sup> Congress's (2007-08) approval of Senate Resolution 211 expressing concern about freedom of expression and the Venezuelan government's decision not to renew the license of Radio Caracas Televisión (RCTV). As a result of Chávez's badgering of the media, the 110<sup>th</sup> Congress enacted the Consolidated Appropriations Act for FY 2008 (P.L. 110-161, Division J). While Congress did not actually fund the U.S. State Department's international broadcasting operations targeting Venezuela, the joint explanatory statement for the bill does express support for restoring shortwave and medium wave transmissions to Venezuela (*Propositions 5, 8, and 12*).<sup>95</sup>

Congressional concern with the state of Venezuelan democracy, human rights, and press freedoms over time is captured by Graph 9 on the following page. Graph 9 highlights how congressional post Cold War concerns have spiked during periods of Venezuelan political instability. The graph charts the evolution of congressional concern with Chávez and his impact on issues of importance to Congress and U.S. voters.

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<sup>95</sup> Note that Sullivan and Olhero report that the Bush administration's FY 2008 foreign aid budget does request \$3 million in Development Assistance for support of Venezuelan civil society. See *Ibid.* pg. 50.

**Graph 9 – Key Congressional Concerns over time as Highlighted by the Congressional Record Index (CRI)**



Source: Compiled from U.S. Government Printing Office – U.S. Congressional Record Index, 1983-2009 accessed May 25, 2009, <http://www.gpoaccess.gov/cri/index.html>.

Congressional concern is captured in the Congressional Record Index (CRI). The CRI reports that in 1983 only seven documents out of 451, or 1.5 percent of possible documents referenced Venezuela and human rights concerns. By 1992, the year of Chávez’s failed military coup attempt, the number of references jumps to 19 documents out of 437 but drops down to 16 out of 415 in 1998 with Chávez’s election. Indicative of mounting congressional concern is that by 2007, references to Venezuela and human rights spikes to 94 out of 530 documents, or nearly 18 percent.

A noteworthy resolution that made its rounds in the 110<sup>th</sup> Congress is House Resolution 50 which calls on the Chávez government to uphold the human rights and the

civil liberties of the Venezuelan people. A critical resolution linked to the foregoing is House Resolution 77 which calls on the Chávez government to respect a free and independent media and to avoid all acts of censorship against the media and freedom of expression.<sup>96</sup>

Both Houses of Congress are similarly concerned with the state of Venezuelan democracy, human rights, and the freedom of the press. The CRI in this sense highlights that in 1983 only nine documents mention Venezuela and democracy out of 285 documents. These numbers again jump in 1992 to reference 23 out of 556 documents. Interestingly enough Congress appears to have initially thought that after Chávez's failed coup attempt in 1992, the situation had returned to a semblance of normality and that democracy in Venezuela although bruised was safe and therefore no longer necessitated heightened congressional attention. As a result the 1993 CRI record consequently only highlights two documents that mention Venezuela and democracy out of 485 documents. Congressional concern with Venezuelan democracy as a result is relegated to the foreign policy backburner for much of the 1993-97 period.

Congress's concern with Venezuelan democracy remains low, despite Chávez's 1998 election until the April 2002 coup attempt. The failed coup attempt generates a brief increase in the number of CRI records referencing Venezuela and democracy. CRI records go from nine out of 338 documents in 2001 to 14 out of 261 documents in 2002. The following year (2003) however, sees a drop to five out of 423 documents. What is particularly telling about the analysis of the CRI records is that these evidence double digit records starting in 2004 and continuing to the present. The largest increase occurs in

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<sup>96</sup> Ibid., pg. 51.

2007 when the CRI record jumps to 54 out of 356 documents referencing both Venezuela and democracy – the previous year there had been 26 out of 352 documents, or 15 percent of all documents making references to democracy. The CRI also highlights that congressional concern with press freedoms has had a similar trajectory during the 1983-2009 period but not as pronounced as the concern over human rights and democracy.

Since the April 2002 failed coup attempt against the Chávez government, congressional concern with the state of Venezuelan democracy, the deteriorating human rights situation, and the undermining of press freedoms has not waned. Congress's ongoing involvement contending with Chávez's revolutionary agenda for Venezuela is captured in part by the FY 2006 NED \$2 million appropriation for promoting democracy, as well as by how NED has sought to allocate funds among its discretionary grant programs.

Table 20 on the following page lists both NED's grant programs and budget allocations and thereby illustrates the areas that are of greatest concern in its activities in Venezuela. Funds spent on these activities by NED must be accounted for to Congress, which itself has an interest in promoting these programs on behalf of its constituents.



**Table 20 – National Endowment for Democracy Grant Programs for  
Calendar Years 2004 to 2007**  
(in \$ thousands)

Grant Program	2004	2005	2006	2007
Farmers in Action	\$65,000	\$58,240	\$60,106	NFC
Action for Development	\$12,420	CDJ \$74,590	CDJ \$49,904 \$79,632	NFC
Justice Consortium	\$67,000			
Justice Consortium – West	\$16,000	\$20,000	\$27,460	NFC
Alternative Justice	\$13,980	\$17,650	\$26,750	NFC
Civil Association <i>Kapé-kapé</i>	---	\$14,950	\$39,900	NFC
Civil Association for Citizen Freedom	---	---	---	\$37,200* *
Leadership and Vision	\$56,000	\$22,721	\$64,823	NFC
Civil Association Uniandes	---	\$15,058	\$21,630	NFC
Asodisamar	---	---	\$16,200	NFC
Center for Human Rights Studies	---	---	\$45,652	NFC
Education Center for Community Training and Ethics	---	---	\$70,800	NFC
Center for International Private Enterprise	\$92,488 \$33,006*	---	\$98,173	NFC
Center for Justice and International Law	\$90,000	---	---	NFC
Center for the Resolution of Conflict of the Lawyer Association of the State of Lara	---	\$12,850	---	NFC
Center for Service to Popular Action	\$60,000	\$68,133	\$74,675	NFC
Concentroccidente	---	\$14,202	---	NFC
Justice of Peace of Monagas State Foundation	\$11,490	\$17,200	\$28,850	NFC
Press and Society Institute – Venezuela	\$72,000	\$74,950	\$82,700	\$102,856
International Republican Institute (IRI)	\$285,000	\$200,000	\$200,000	\$100,000
<i>Súmate</i>	---	\$107,200	---	NFC
Venezuelans of the World	---	\$12,490	---	NFC
<b>Total Dollars</b>	841,378	655,644	937,351	202,856* **

OBS: (\*) Indicates reprogrammed 2001 funds. (\*\*) Department of State funding beyond NED's annual appropriations. CDJ stands for "Consortium for Development and Justice." NFC stands for "new funding category" starting in 2007, grant recipient not specified. (\*\*\*) Indicates, see table 21 for full year values. Sources: National Endowment for Democracy – Latin America and Caribbean Grant Programs, <http://www.ned.org/grants/04programs/grants-lac04.html#Venezuela>, <http://www.ned.org/grants/05programs/grants-lac05.html#Venezuela>, <http://www.ned.org/grants/06programs/grants-lac06.html#Venezuela>, and <http://www.ned.org/grants/07programs/grants-lac07.html#Venezuela>.

As of 2007, the last full year of data for NED grant programs, NED while still retaining budget line item clarification of its grant program money for the Civil Association for Citizen Freedom, the Press and Society Institute – Venezuela, and the International Republican Institute, is no longer tagging a particular grant program to an activity. Rather NED now reports generic categories such as accountability, civic education, human rights, and NGO strengthening among others. It does however continue to provide both a monetary break down per category and a description of how funds will be utilized.

**Table 21 – National Endowment for Democracy Grant Programs for Calendar Years 2007 - 2009**  
(in \$ thousands)

Grant Program	2007	2008	2009
Accountability	\$35,000	N/A	N/A
Civil Association for Citizen Freedom	\$37,200*		
Civic Education	\$21,300 \$26,750 \$32,800 \$33,030 \$34,660 \$44,154 \$43,820 \$65,000	N/A	N/A
Freedom of Information	\$45,888	N/A	N/A
Human Rights	\$45,000 \$50,000	N/A	N/A
NGO Strengthening	\$50,500 \$83,835 \$86,400	N/A	N/A
Press and Society Institute – Venezuela	\$102,856	N/A	N/A
International Republican Institute (IRI)	\$100,000	N/A	N/A
<b>Total Dollars</b>	\$900,993	N/A	N/A

OBS: (\*) Indicates Department of State funding beyond NED's annual appropriations.  
Sources: National Endowment for Democracy – Latin America and Caribbean Grant Programs,  
<http://www.ned.org/grants/07programs/grants-lac07.html#Venezuela>.

Table 21 reflects NED's current means for reporting grant program fund allocations. Allocations for 2007 are slightly off from 2006 values due primarily to a drop in funding for the International Republican Institute. Funding for activities related to strengthening freedom of the press has increased in comparison to past years (see, Tables 20 and 21). Targeted funding increases illustrates that NED has been influenced by Congress's concern with freedom of the press and the role that NGOs play in preserving the rule of law and democracy in Venezuela.

Senator Richard Lugar (R-Indiana, 1977 to present) in the Hearing of the Senate Committee on Foreign Relations on the Role of Non-Governmental Organizations in the Development of Democracy (June 8, 2006) raised his concerns over the state of democracy in Venezuela.<sup>97</sup> In his opening remarks, Lugar stated to the committee that the United States is pleased with expansion of democratic governance in places such as the Ukraine, Kyrgyzstan, and Georgia, but is alarmed by the counteroffensive launched by authoritarian regimes to undermine civil society and pro-democracy organizations. Lugar indicated that support for democratic grassroots organizations is the centerpiece of America's international outreach.<sup>98</sup>

According to Lugar, individuals and entities that support democracy in places such as Venezuela are under increasing government scrutiny and harassment. For example, Lugar cites the case of María Corina Machado, founder and executive director of the independent democratic civil society group *Súmate*, who has been charged by the

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<sup>97</sup> See, Lugar, Richard, in "United States Senate, Committee on Foreign Relations, "The Role of Non-Governmental Organizations in the Development of Democracy," Washington, D.C. (June 8, 2006), accessed May 25, 2009, <http://foreign.senate.gov/testimony/2006/LugarStatement060608.pdf> and [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109\\_senate\\_hearings&docid=f:34274.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_senate_hearings&docid=f:34274.pdf).

<sup>98</sup> Ibid.

Chávez government with treason for having received NED grant funding. *Súmate* monitors the performance of Venezuela’s electoral institutions.<sup>99</sup> Machado’s persecution, and mounting congressional concern in recent years with safeguarding the promotion of democratic governance in Venezuela, is responsible for changing how NED now publically reports its grant program allocations (Table 21).<sup>100</sup>

Lugar and Senator Christopher Dodd (D-Connecticut, 1981 to present) co-sponsored during the 110<sup>th</sup> Congress’s (2007-08) approval of Senate Resolution 211 expressing concern about freedom of expression and the Venezuelan government’s decision not to renew the license of Radio Caracas Televisión (RCTV).<sup>101</sup> In Senate Resolution 211, Lugar expressed the Senate’s profound concern with the Chávez government’s “transgression against the freedom of thought and expression.”<sup>102</sup> The Lugar – Dodd resolution specifically intervenes in U.S. foreign policymaking by directly accusing Chávez of refusing to renew RCTV’s license merely because the station adhered to an editorial stance that “is different from his way of thinking.”<sup>103</sup>

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<sup>99</sup> Ibid.

<sup>100</sup> Senator Lugar is referring to the National Endowment for Democracy report, “The Backlash Against Democratic Assistance,” that he commissioned. This report details that “representatives of democracy assistance NGOs have been harassed, offices closed, and staff expelled. Even more vulnerable are local grantees and project partners who have been threatened, assaulted, prosecuted, imprisoned, and even killed.” Lugar met with María Corina Machado in October of 2005, where the latter raised mounting concerns over the Chávez government’s tightening of legal constraints against democracy assistance.

<sup>101</sup> Senate Resolution 211 expresses “the profound concern of the Senate regarding the transgression against freedom of thought and expression that is being carried out in Venezuela, and for other purposes.” See, Lugar, Richard, and Christopher Dodd, in “United States Senate Resolution 211,” 110<sup>th</sup> Congress, 1<sup>st</sup> Session, Washington, D.C. (May 21, 2007), accessed May 25, 2009, <http://thomas.loc.gov/cgi-bin/query/D?c110:1:./temp/~c110hAZk0o>.

<sup>102</sup> Ibid.

<sup>103</sup> Ibid.

The resolution cites that there is neither proof of the station's complicity in the events that led to the failed April 2002 coup attempt against Chávez, nor have charges or legal sanctions been filed against the station. Lugar, speaking for the U.S. government, accuses Chávez of violating freedom of thought and expression, an act that is prohibited by Article 13 of the American Convention on Human Rights. The Lugar – Dodd resolution goes to great lengths to make the point that RCTV and other means of communication “have the right to carry out their role in an independent manner.”<sup>104</sup> The resolution strenuously argues that any “direct or indirect pressures exerted upon journalists or other social communicators to stifle the dissemination of information are incompatible with freedom of expression.”<sup>105</sup>

By recurring to Blasier's theoretical propositions, the Lugar – Dodd resolution (Senate Resolution 211) falls primarily within the foreign policymaking parameters of *Propositions 2, 5, and 12*. Although RCTV is not controlled by U.S. interests, Lugar and Dodd were influenced by Chávez's re-nationalization of *Compañía Anónima Nacional de Teléfonos de Venezuela* (CANTV) Venezuela's largest telecommunications provider - which was then partially owned by Verizon Communications (an American broadband and telecommunications company). Although in February 2007 the Venezuelan government ultimately negotiated an agreement with Verizon for the purchase of its stake in CANTV that the latter deemed fair, concern has lingered over the aggressive take over of this company and the precedent that it sets.

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<sup>104</sup> Ibid.

<sup>105</sup> Ibid.

The Lugar – Dodd resolution is also associated with Blasier’s *Proposition 5* since it deals with freedom of expression and the rule of law. Both of these issues are of critical interest to U.S. foreign policymakers in the post- Cold War era since they combine both economic concerns and strategic considerations that are important to the U.S. electorate and therefore by extension to Congress. Blasier’s *Proposition 12* is of paramount importance with regards to this resolution. Here the former is the result of Congress taking a key interest, even a lead role, in arguing that the Chávez government’s action against RCTV constitutes a security threat against U.S. interests defined in terms of safeguarding of freedom of expression and the rule of law, as well as casts a shadow over the safety of current and future U.S. business investments in Venezuela. Nonetheless in acknowledgement of the scant overall threat that the Chávez government poses to the United States, these security considerations do not exceed the threshold of comfort that would otherwise justify recourse to the sponsoring of armed action against the Chávez government (*Proposition 15*, not applicable).

Yet despite the significant amount of U.S. private sector investment in the Venezuelan petro-chemical sector over the decades, congressional concern with U.S. business interests in Venezuela has not eclipsed concern with Venezuelan human rights issues and democracy. Only in 2008 does Congress focus more on Venezuelan petroleum related concerns (46) than it does on human rights (42), democracy (27), or press freedoms (33). However it seems to be too soon to tell if this is a one time event or indicates the possibility of a long-term shift in congressional concern. For now the evidence shows that in the post Cold War period Congress remains concerned primarily with ensuring the preservation of democratic governance, safeguarding human rights,

freedom of expression, and ensuring the rule of law, all of which reinforces each other as well as promotes Venezuelan economic development and social peace. U.S. business interests in Venezuela are linked to the foregoing and suffer as a result of the Chávez government's repression of these other issues.

Congressional interest inferred from CRI statistics indicate that Congress plays an active role in influencing U.S. foreign policymaking towards Venezuela. For over a decade now, Congress has sought to entice Chávez to respect human rights via the promotion of (representative) democracy. Congress, at the same time, is cognizant of the economic importance that Venezuela plays in U.S. energy security calculations as evidenced by hearings on the subject matter. However, the absence of an extra hemispheric and anti-American rival of the United States engaging in non-constructive and interventionist policies on behalf of Venezuela mitigates the possibility of Congress calling for armed intervention against Chávez. Venezuela, and the Chávez government, is actually more vulnerable to any disruption in crude oil supplies to the United States than the United States is itself.

### **Interpreting the Hugo Chávez Government Threat: Expert Opinions**

U.S. Senator Bob Graham (D-Florida, 1987-2005), the former chairman of the Senate Intelligence Committee, stresses that Chávez is more of a nuisance at present than an actual threat to the security interests of the United States.<sup>106</sup> Graham clarifies that Chávez's political power is based almost exclusively on oil. In this regard, U.S. demand

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<sup>106</sup> Graham, Bob. "Telephone interview with Senator Bob Graham," Miami, Florida, April 21, 2008.

for Venezuelan petroleum actually subsidizes the Chávez government and thereby finances Chávez's means for retaining political control in Venezuela.

Chávez's willingness to engage in compensation negotiations for nationalized foreign investments indicates a willingness to work with the affected parties and the United States. The United States has responded to this situation by adopting a conciliatory position (*Proposition 2*). An example of this is the case of the Chávez government's willingness to negotiate an agreement on compensating Verizon for the nationalization of its interests in CANTV

To ensure the survival of the Bolivarian Revolution, Chávez often ultimately implements a quiet but nonetheless conciliatory policy towards the United States with regard to dispute settlement. Chávez's greatest constraint is, as Graham points out, the fact that the United States imports a significant amount of its daily crude oil needs from Venezuela, which also represents the bulk of that country's export earnings. As a result Chávez's hold on power is vulnerable because of this trade relationship.<sup>107</sup>

Unlike the case of Middle Eastern petroleum (normally lighter and with a lower concentration of sulfur), Venezuela exports largely heavy and sour crude oil. Venezuelan

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<sup>107</sup> On an average daily basis, the United States imports approximately 1.13 million barrels of petroleum and petroleum products from Venezuela. This number is down by 11.7 percent in the first four months of 2008 and represents a 5-year low. The decline in U.S. imports of Venezuelan crude oil is a result of the combination of falling U.S. demand for oil, falling daily output by PdVSA (2.4 million barrels a day estimated by the Paris-based International Energy Administration versus PdVSA's claims of 3.4 million barrels per day), and Venezuela's own attempt to diversify away from export dependence on the United States. Chávez has sought to diversify reliance on the U.S. energy market by shipping an average of 250,000 barrels of Venezuelan crude per day to China and aims to double this figure by 2010. See, Jones, Rachael (Associated Press), "U.S. Imports Less Oil from Venezuela," in *The New York City Daily News*, (July 1, 2008), accessed July 4, 2008, [http://breakingnews.nydailynews.com/dynamic/stories/V/VENEZUELA\\_US\\_OIL?SITE=NYNYD&SECTION=US&TEMPLATE=DEFAULT&CTIME=2008-07-01-00-13-46](http://breakingnews.nydailynews.com/dynamic/stories/V/VENEZUELA_US_OIL?SITE=NYNYD&SECTION=US&TEMPLATE=DEFAULT&CTIME=2008-07-01-00-13-46). For a monthly breakdown in thousands of barrels of U.S. imports of petroleum by country of origin with an analysis of the evolution of Venezuelan exports to the United States, see, U.S. Department of Energy – Energy Information Agency, "U.S. Imports by Country of Origin," (June 26, 2008), accessed July 6, 2008, [http://tonto.eia.doe.gov/dnav/pet/pet\\_move\\_impcus\\_a2\\_nus\\_ep00\\_im0\\_mdbl\\_m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_move_impcus_a2_nus_ep00_im0_mdbl_m.htm).



crude oil requires additional refining, which adds costs. Specialized refineries, tooled to handle Venezuelan crude oil are concentrated in the southern United States.<sup>108</sup> Such key factors limit, if not outright hamper, Chávez's capability of threatening the economic security interests of the United States.

Congress, aware of this reality, coupled with the absence of an extra-hemispheric rival of the United States acting as a protector of Chávez, finds it politically expedient to adopt less suppressive policies. Its call on Chávez to respect the democratic process, human rights practices, and ensure freedom of the press, while politically embarrassing for Chávez are far less threatening than Congress appropriating funds for the armed overthrow of his government. If Chávez had gained power during the Cold War, Congress could have formulated policies toward Venezuela mirroring those of 1959/61 Cuba or 1980s Sandinista Nicaragua. If this had been the case, Congress's actions toward Chávez would have been formulated along the lines of Blasier's *Proposition 3*.

Senator Richard Lugar (R-Indiana, 1977-present), a strong and influential proponent of reducing the United States' dependence on foreign oil, has made similar comments with regards to oil and gas. Lugar, referring to United States intelligence agencies, indicates that 90 percent of the world's oil and natural gas prices are not set by

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<sup>108</sup> An arbitrary shutdown of PdVSA-CITGO refineries in the United States by Venezuela is an empty threat given that it would bog down Venezuela in thousands of contract breach lawsuits with its 14,000 independently owned retail outlets, posing an unmanageable and costly legal situation. Also seeking to export Venezuelan sour and heavy feedstock, which constitute the largest portion of Venezuelan oil to China is both financially unsound as well as practically not feasible. Although Chávez may threaten the United States government with a suspension of oil shipments by shifting these to China, this is not likely given the primitive nature of China's refining network. China is unable to receive and process the volume of sour and heavy crude oil that the United States receives from Venezuela. It is estimated that it will take several years of bilateral coordinated planning and extensive investment to turn such an initiative into a reality. See, Giusti, Luis E., "Comments," Statements delivered before the Senate Committee on Foreign Relations in Washington, DC, on June 22, 2006, pg. 9, accessed June 20, 2008, <http://foreign.senate.gov/testimony/2006/GiustiTestimony060622.pdf>.

the supply and demand mechanisms associated with the workings of the free market.<sup>109</sup> Rather, Lugar finds that these prices are set by foreign governments.<sup>110</sup> These governments or their oil policies are not necessarily crafted to favor the interests of the United States.<sup>111</sup> Lugar's, like Graham's comments, fall within Blasier's *Propositions 5 and 12* whereby Congress will formulate balanced policies based on the links between strategic considerations and economic objectives.

In the executive-legislative struggle for the privilege of primary responsibility in the U.S. foreign policymaking process, a major mechanism at Congress's disposal for influencing policy is control over the funding process. Nonetheless, Graham supports the notion that the executive branch leads U.S. foreign policymaking (*Proposition 6*). Graham goes on to clarify that "in our system of divided government, the President has the constitutional privilege of primary responsibility for foreign policymaking." Yet similarly mirroring the division of powers in the U.S. Constitution, Graham also strongly believes that the U.S. Congress has a significant role and responsibility in crafting U.S. foreign policymaking as highlighted by the role played by the Appropriations Committee (*Proposition 12*).

By comparing Chávez to other Latin American revolutionaries of the past, namely the Cold War era Sandinista government, Graham is of the opinion that today's situation in the Americas is markedly different from that prevalent in the late Cold War. While Graham supports the notion that the Soviet Union sought to exploit opportune

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<sup>109</sup> Lugar, Richard. Comments delivered at the American Enterprise Institute during the Food Security Conference on July 2, 2008.

<sup>110</sup> Ibid.

<sup>111</sup> Ibid.

developments in Sandinista Nicaragua, he does not see a similar threat today confronting the United States in Latin America and as a result Blasier's *Proposition 3* does not apply to Chávez. Similarly Senator Jim Webb (D-Virginia, 2007 to present) indicates that the Chávez government mainly presents challenges to the United States in the areas of human rights, energy, and terrorism.<sup>112</sup>

Graham is of the opinion that the United States today is not facing the same sort of potential threat to its security interests when it comes to Chávez as it did with the Sandinistas' attempt to act in concert with the Soviet Union during the Cold War (*Proposition 3*). Graham concurs with the notion that the United States at present is not facing an extra-hemispheric power seeking to dispute its political and economic hegemony in the Latin American region. Graham, however, does agree that should Chávez at some point in the future seek to cooperate or collude with a radical, anti-American entity such as Al Qaeda, then such actions by Chávez could and should be construed by U.S. foreign policymakers as a threat to the security interests of the United States (*Propositions 3 and 4*).

With regards to the National Endowment for Democracy (NED), Graham makes the point that unfortunately the NED in Latin America has been less effective than in other places as a consequence of insufficient funding.<sup>113</sup> Graham, as a former U.S.

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<sup>112</sup> Webb, Jim. "Senator Jim Webb's response to interview questionnaire," E-mail GUID#IA5bac73dc-38e6-4ba1-9c8c-85b78596766 (August 28, 2008).

<sup>113</sup> Bob Graham served on the National Endowment for Democracy's Board of Directors, where he played an influential role in setting priorities for Latin America. Furthermore, as a member of the Senate, Graham played a key role in articulating the role of the Endowment to fellow Senators. Graham, as a staunch supporter of NED's long-term democracy promotion has argued that "Democracy is not just about elections," he said, "democracy requires work, effort and sacrifice to be achieved." See, National Endowment for Democracy, "NED Honors Graham and McHugh with Democracy Service Medal," in

Senator and member of the NED's Board of Directors, clarified that a limiting factor of the endowment's effectiveness in Latin America has been U.S. policymakers' inability to provide it with reasonable objectives. Graham believes that to be effective, NED activities, much like U.S. foreign policies in general, need to be more focused and "less scatter shoot." He also argues that the Endowment can play a significant role in Latin America, a region that needs more attention. According to Graham, the United States needs to craft strategic policies for Latin America that are much more proactive instead of being merely reactive.

Chávez and his Bolivarian revolutionary government's reforms have proven to be an economic nightmare for mid- to long-term foreign direct investment planning. Chávez's revolutionary reforms far from threatening the vital interests of the United States, serve as positive proof of the ineffectiveness of centralized state economic planning. In this case, national resources are being misallocated as the Chávez government simultaneously over staffs certain sectors of the state apparatus for political support while under investing in upgrading PdVSA's operational capability.

The Chávez government, having narrowly focused its policies on confronting the United States and failing to re-invest oil profits in PdVSA, has possibly undermined its own long-term political survival. Any shortfall in Venezuelan crude output as a result of decaying infrastructure and failure to implement new recovery technologies and or extended low global oil prices as a result of a protracted global economic slowdown that

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NED Publications, (2004), Issue, 1, accessed July 6, 2008,  
<http://www.ned.org/publications/newsletters/spring04.html#Top>.

reduces demand for petroleum, puts the Chávez government at risk domestically.<sup>114</sup> Low oil prices, not the political opposition that is otherwise too fragmented, weak, and demoralized, constitutes a threat to Chávez.

Similarly within the executive branch of the U.S. government among desk officers and division directors in frontline foreign policymaking agencies, there is consensus that Chávez is more of threat to his neighbors' stability than to the United States.<sup>115</sup> For example, the government of Peru's Alan García Pérez has taken issue with Chávez's support for *Casa ALBA (Alternativa Bolivariana de las Américas)*.<sup>116</sup> *Casa ALBA* being a non-governmental organization is supposedly chartered to promote cooperation between Venezuela and other Latin American states. However the García Pérez government has seen *Casa ALBA* involving itself in Peruvian domestic politics. Such action has led the García Pérez government to restrict and shut down this NGO's activities in Peru.

It bears mentioning that as is often the case, Chávez will speak his mind on an issue and then pull back and force Venezuela's diplomats to finesse and or explain to the

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<sup>114</sup> Thanks to high international oil prices in recent years, Chávez has managed to lower Venezuela's dependency on foreign borrowing and augmented the country's central bank's stock of dollar reserves, according to Lapper. At the same time Chávez has also been able to lower poverty levels in Venezuela since 2003. However, despite the country's impressive levels of growth the Chávez government is dangerously dependent on continued high oil prices in order to finance its current level of spending, its social missions to the urban poor, and foreign assistance commitments. Lapper finds that even a modest fall back toward the \$30-\$40 per barrel range will impose severe strains on Venezuela's budget. Lapper, writing in 2006, finds that even if oil prices remain at the then current level of \$60 per barrel, the Chávez government will struggle to maintain revenue levels because of its lack of investment in the oil sector coupled with private firms deferring investment because of political risk. Since 2006, Venezuelan investment in the oil sector has not improved. See Lapper, pgs. 27-28.

<sup>115</sup> Venezuela is dependent on imports for more than 60 percent of daily food supply. Zanin, Bruce. "Interview with Bruce Zanin, U.S. Department of Agriculture – Foreign Agricultural Service, Director Western Hemisphere, Office of Country and Regional Affairs," Washington, DC, February 9, 2009.

<sup>116</sup> Orbezo Salas, Gian Carlo, "La ALBA en el Perú," in *Perú Político*, accessed July 30, 2008, <http://www.perupolitico.com/?p=476>.

world what Chávez really meant to say. This sort of action is undertaken as a means of damage control, but nonetheless still highlights the fact that almost all governing power is concentrated in Chávez.<sup>117</sup>

Arguing against identifying Chávez as a threat to U.S. vital interests in the Americas, when compared to Cold War era Sandinista Nicaragua is the fact that Chávez unlike the Sandinistas, is trying to export a revolutionary model that is only viable in countries with vast endowments of natural resources (i.e., Bolivia) in demand by the global economy. Venezuela's Bolivarian revolution is only viable as long as high oil prices remain in place. Countries without a similar source of wealth will be hard pressed to implement Bolivarian-style revolutionary reforms.<sup>118</sup>

## **FACTORS ARGUING AGAINST LABELING CHÁVEZ AS A SIGNIFICANT THREAT**

### **Congressional Record Index Findings**

A review of the Congressional Record Index (CRI) shows that U.S. concern with Latin American reformists' and revolutionaries' tangible collusion with a militarily powerful extra-hemispheric, anti-American power will result in U.S. suppressive policies regardless of the time period being analyzed. For example, congressional concern with discerning whether there is a threat is quantified by tallying the number of times that the Soviet Union, Nicaragua, and the Sandinistas appear in the CRI during the Cold War.<sup>119</sup>

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<sup>117</sup> Ultimately such a disproportionate concentration of power in one person will lead to succession problems. The Venezuelan National Assembly is devoid of leaders, as well as has surrendered to Chávez control over its legislative agenda. This in turn has resulted not only a weak party structure built around Chávez, but also has resulted in the enfeeblement of Venezuelan institutions.

<sup>118</sup> Zanin (2009).

Concern is captured by Graph 11 which tracks congressional interest with the Soviet Union and Nicaragua's Sandinistas during the late Cold War.

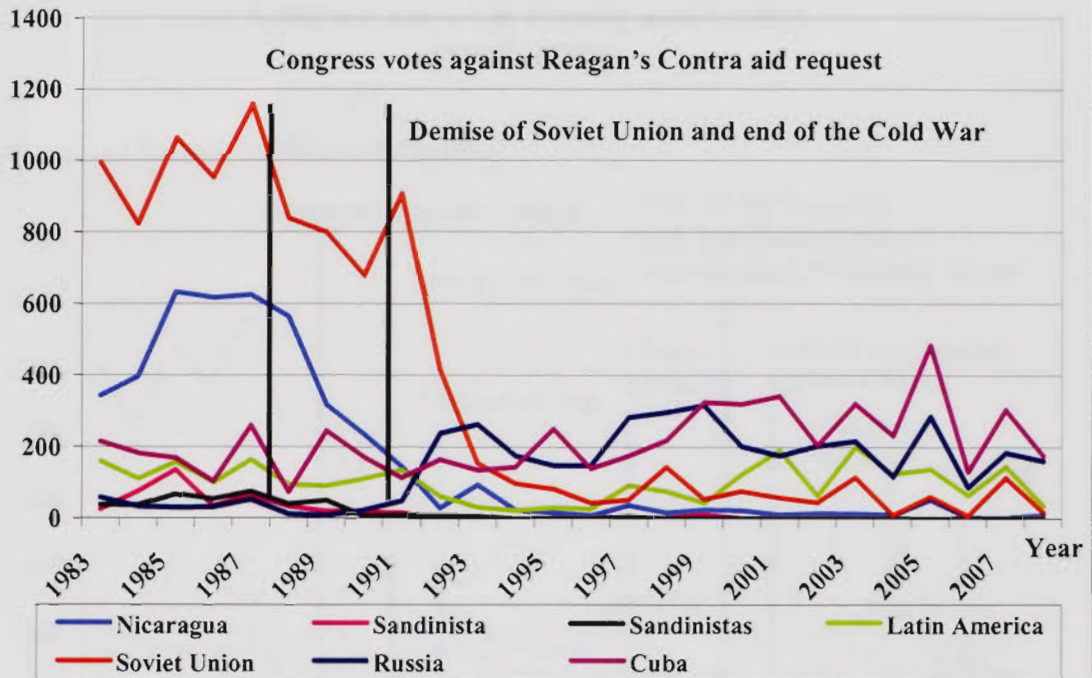
Similarly this sort of analysis is also applied in the post-Cold War era by comparing the number of times that Venezuela is mentioned in the CRI to the number of times the People's Republic of China, the Islamic Republic of Iran, and the Russian Federation are mentioned (Graph 12). With the Soviet Union's demise and the end of the Cold War, Latin America's importance declines. Chávez's threat to U.S. security, mainly economic security, is framed in these terms. This situation is highlighted by Graphs 10 and 11 on the following pages that detail the low priority assigned to Latin America and Venezuela by Congress in the post-Cold War era.

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<sup>119</sup> This same method is also utilized in the present study to quantify U.S. congressional concern with a country or its leadership in the post-Cold War.

**Graph 10 – U.S. Congressional Concerns with Nicaragua and the Sandinistas vis-à-vis the Soviet Union/ Russia and Cuba (1983-2008)**

Congressional Record, Individual Documents



Obs: The end of the Cold War (1991) downgraded the relevance of the Soviet Union/ Russia. Russia, as a successor state to the Soviet Union, has not generated a similar level of attention. Post-Cold War Russia accounts for 1.5 percent of entries versus 5.1 percent for the Soviet Union during the Cold War. Source: Compiled from U.S. Government Printing Office – U.S. Congressional Record Index, 1983-2008 accessed July 25, 2008 and February 14, 2009, <http://www.gpoaccess.gov/cri/index.html>.

Graph 10 also shows that absent the Soviet threat, Latin America drifts unnoticed except for collateral concerns resulting from the Asian financial crisis (1997-99).<sup>120</sup>

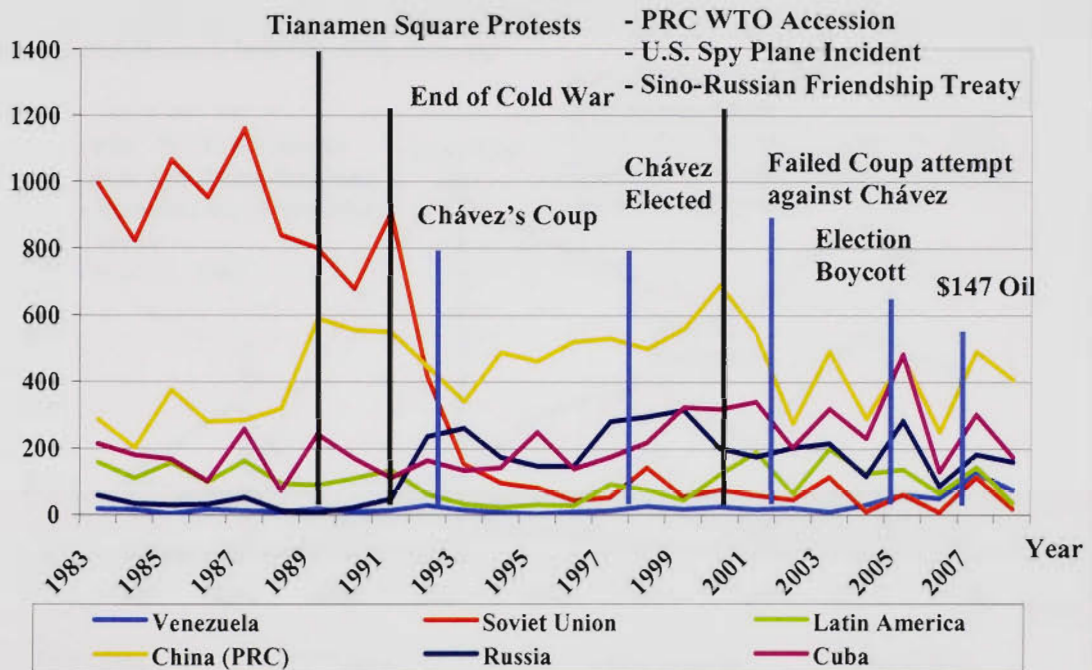
<sup>120</sup> As a consequence of September 11, 2001, and the ensuing military campaigns in Afghanistan and Iraq, concern with Latin America declines. Even with the region's leftward tack and concerns with energy prices, Congressional attention with the region since 2001 more or less remains where it was during the late Cold War. The outlier is Cuba, but this is attributable to Fidel Castro's failing health and succession.



Without the presence of an anti-American power, Chávez hardly seems to constitute a major military security threat for Congress when compared to China and Russia.

**Graph 11 – U.S. Congressional Concerns with Venezuela and Latin America vis-à-vis Russia and China (1983-2008)**

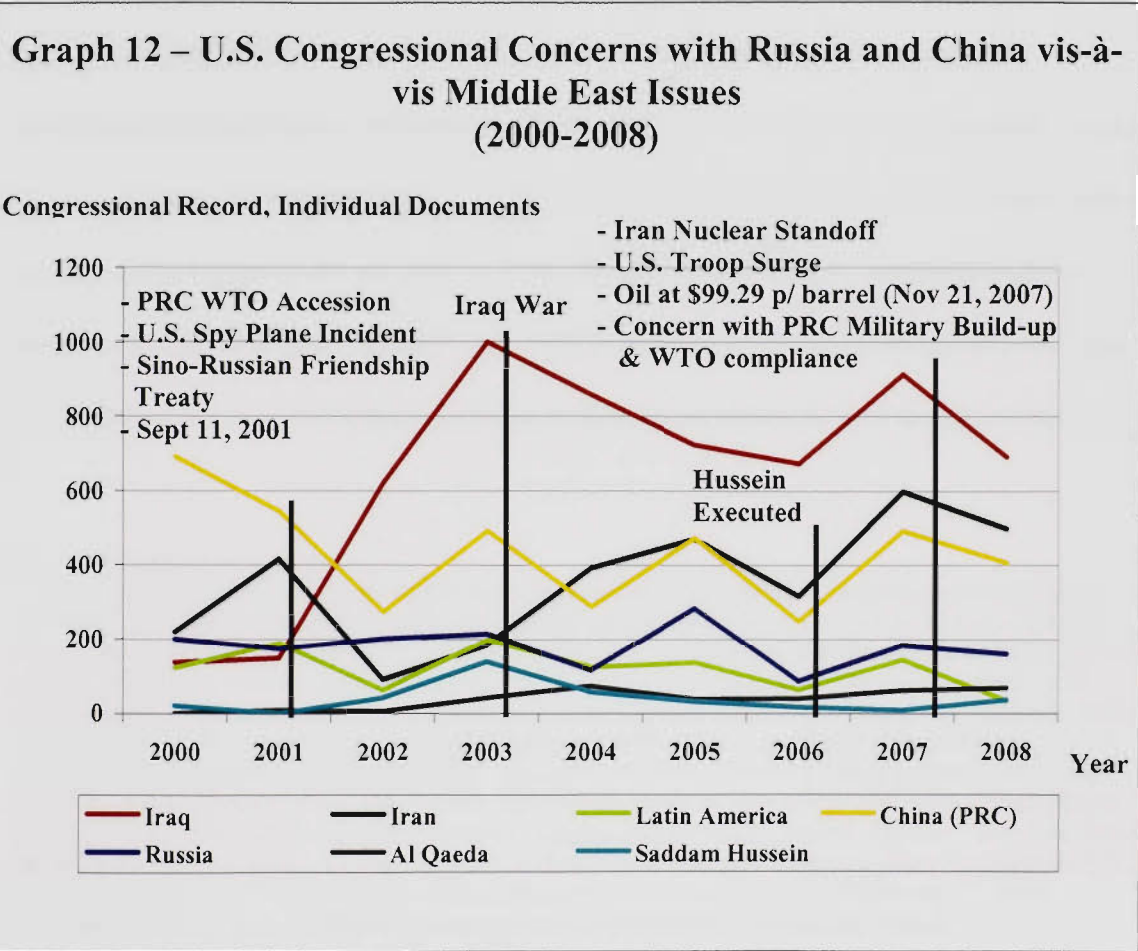
Congressional Record, Individual Documents



Source: Compiled from U.S. Government Printing Office – U.S. Congressional Record Index, 1983-2008, accessed July 25, 2008 and February 14, 2009, <http://www.gpoaccess.gov/cri/index.html>.

Graph 11 highlights the current international situation which points to the fact that the post-Cold War period lacks an outside agitator on which the Chávez government can call on for support should its policies drive Washington to opt to suppress its revolutionary programs. By tallying entries in the CRI the study finds that this reality

negates the situation that would otherwise be associated with Blasier's *Proposition 3*. Post-Cold War congressional interest with China and Russia is often linked to concerns over high commodity prices (e.g., oil, gas, and food stuffs) more than with ideological concerns.



Obs: For the annual average value of oil see Appendix 8.  
 Source: Compiled from U.S. Government Printing Office – U.S. Congressional Record Index, 1983-2008, accessed July 25, 2008 and February 14, 2009, <http://www.gpoaccess.gov/cris/index.html>.

Graph 12 stresses that though interest in China and Russia endure because of their international political and military stature, interest is no longer just defined in terms of their ability to exert global political and military influence. Rather congressional interest now appears to have expanded to encompass also these countries' ability to compete with

the United States for access to strategic natural resources and markets – an example of this is CNOOC’s attempted acquisition of U.S. oil and gas major Unocal.<sup>121</sup> By tallying entries in the CRI, Graph 15 also highlights that the steep spikes in congressional interest with regards to China and Russia since 2000 are often issue-specific driven.

The CRI shows that there is a significant departure from the situation prevailing during the Cold War when Congress and other foreign policymakers in the U.S. government focused more narrowly on the ideological and military threat posed by these two countries to the United States.<sup>122</sup> China today aspires to be seen as a renascent great power, while Russia seeks to arrest its eroding great power status. Yet neither one of these states have adopted the sort of competitive and interventionist policy postures that approximate the level of distrust and rivalry associated with the Cold War U.S.-Soviet

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<sup>121</sup> On June 23, 2005, China’s third largest state oil company China National Offshore Oil Corporation (CNOOC) announced its intent to purchase California-based Unocal for \$18.5 billion. China’s offer of approximately \$2 billion more than U.S. oil major Chevron’s own bid drew congressional calls for greater scrutiny of the deal based on national security concerns. In a letter to President George W. Bush, U.S. Representatives Duncan Hunter (R-California, 1981-present) and Richard W. Pombo (R-California, 1993-2007) stated: “As the world energy landscape shifts, we believe that it is critical to understand the implications for American interests and most especially, the threat posed by China’s governmental pursuit of world energy resources. The United States increasingly needs to view meeting its energy requirements within the context of our foreign policy, national security and economic security agenda.” See, Lee, David and the University of Illinois College of Law. “A Warning to Foreign Companies Entering Sensitive U.S. Markets,” (September 18, 2006) in the *Illinois Business Law Journal*, accessed February 14, 2009, [http://iblsjournal.typepad.com/illinois\\_business\\_law\\_soc/2006/09/a\\_warning\\_to\\_fo.html](http://iblsjournal.typepad.com/illinois_business_law_soc/2006/09/a_warning_to_fo.html).

<sup>122</sup> This marks a departure from ideological rigidity towards issue driven policy concerns. Today many congressional arguments, such as those of Senator John Cornyn (R-Texas, 2008-present) string together a number of issues such as linking high energy prices to unfriendly suppliers (i.e. Venezuela) along with terrorism. Cornyn, in arguing for expanded domestic energy production, has quoted Senator Barak Obama (D-Illinois, 2005-present), who himself has indicated that “...our dependence on foreign oil strains family budgets and it zaps our economy. Oil money pays for the bombs that go off from Baghdad to Beirut, and the bombast of dictators from Caracas to Tehran. Our Nation will not be secure unless we take that leverage away, and our planet will not be safe unless we move decisively toward a clean energy future.” See, U.S. Government Printing Office – Congressional Record (Senate), “Gas Prices and National Security,” Volume 154 (2008), June 17, 2008, pg. S5672, accessed July 30, 2008, <http://frwebgate1.access.gpo.gov/cgi-bin/PDFgate.cgi?WAISdocID=705472441669+1+1+0&WAIAction=retrieve>.

struggle for international leadership/ supremacy.<sup>123</sup> As a result Latin America remains largely a politically and economically stable region, resulting in less U.S. congressional scrutiny than other regional hot spots.

Interestingly enough with regard to the issue of access to strategic natural resources and commodities, 2008's high commodity prices, while representing a boom for agricultural exporters like the United States, did nonetheless also highlight the United States' own vulnerability to then record high international oil and natural gas prices. The high prices of strategic natural resources in 2008 adversely impacted American industrial and agricultural profitability since it contributed to driving up production input costs and thereby tightened producer profitability margins.<sup>124</sup> With the 2009 financial crisis and global recession, slackening consumer demand is now adversely impacting producer profitability as consumers forgo purchases and thereby put downward pressure on producers to further lower prices.

Congressional concern with U.S. economic dependence on imported petroleum in 2008 highlighted U.S. vulnerability to strategic resource competition from China. While the 2009-10 period will see little if any economic growth, and as a consequence will lessen demand for strategic resources and in the process help ease tensions resulting from competition for commodities and resources, this will likely be a short-lived respite. As

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<sup>123</sup> Legislative branch attention, much like that of the executive branch remains fixated on developments in the Middle East and China to the detriment of other regions like Latin America. While this represents a departure from the levels of congressional interest directed toward Latin America during the Cold War, it provides support for the notion that Congress will focus its resources on those issues that it and the sitting administration believe to be most pressing and of greatest public interest.

<sup>124</sup> As a result producers sought to pass their added costs to consumers in the form of higher prices. Ammonia-based fertilizer costs escalated as the price of natural gas and oil increased given that inorganic fertilizers are dependent on energy derived from petroleum for its manufacture. High input costs impacted farming and ranching with higher transportation and feed costs.

the United States and other industrialized economies recover from the financial crisis and global recession of the 2009-10 period consumer demand will rebound. As a result both the United States and China will again compete for access to diminishing petroleum and natural gas supplies from abroad (including Latin America) unless significant advances occur in the short-term either in the implementation of new technologies that lessen reliance on foreign oil suppliers or immediate access is obtained to new and or easily accessible oil and gas fields. Up through 2008 this sort of competition triggered increased congressional concern with China.

Blasier's framework, although written at a time of heightened Cold War tensions between the two superpowers, can still be used for studying post-Cold War revolutionary situations in Latin America. For example, by applying Blasier's *Proposition 3* to Chávez and Bolivarianism such an approach can anticipate how the U.S. Congress interprets this post-Cold War version of Latin American revolutionary change, as well as how it may react to Chávez's socialist-inspired reforms.

It is the degree of involvement of an extra-hemispheric and interventionist foreign power in support of a revolutionary movement or the reformist and or revolutionary governments which will be the key determinant of the type of response that will emanate from U.S. foreign policymakers. Washington's response will fall into one of two categories: either Washington will seek conciliation, or it will seek to suppress the revolutionary movement or the reformist and or revolutionary governments. Today's absence of an extra-hemispheric and interventionist foreign power acting in support of reformist and or revolutionary movements or governments allows the United States to

exert a softer type of hegemony which the United States refers to as being the Latin American region's "partner of choice."

### **Why Chávez is not a Significant Threat**

By recurring to Blasier's framework, the study finds that the reason Chávez should not be considered a threat to the military security interests of the United States resides in the fact that in the post-Cold War period there is an absence of an extra-hemispheric, anti-American power willing and capable of undertaking an interventionist foreign policy similar to that of the Soviet Union's during the Cold War (*Proposition 3*). Some members of Congress, such as Representative Ron Klein (D-Florida, 2007-present), cite Iran's ties to Chávez as a source of concern for U.S. security. However in Klein's case this concern is not structured along the conservative ideological lines of the past that defined the struggle for superpower survival. Instead it is based on important yet non-vital constituent-driven interests.<sup>125</sup>

Absent the potential of great power confrontation over Venezuela, what other factors could lead Congress to seek the suppression of the Chávez government? Blasier's framework during the Cold War defined the reason for U.S. intervention in Nicaragua and other Caribbean Basin countries in terms of retaining its preeminent position as well as preventing Soviet incursions. Alternatively, the U.S. sought to suppress reformist and revolutionary governments whenever they threatened U.S. business interests. Yet in the

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<sup>125</sup> Congressman Klein indicates that it is his constituents' concerns over the bombing of the Jewish Community Center in Buenos Aires, Argentina in 1994 by Iranian agents that motivated his call for action against Iranian activities in Latin America. See, U.S. Government Printing Office – Congressional Record (House), "Iran and Latin America," Volume 153, (2007), September 27, 2007, pg. H10942, accessed July 30, 2008, <http://frwebgate1.access.gpo.gov/cgi-bin/PDFgate.cgi?WAISdocID=707801444059+46+1+0&WAIAction=retrieve>.

post-Cold War era, a time when Chávez has already threatened U.S. business interests, Congress has been unwilling to call for suppressive measures against Caracas.

What has changed since the Cold War period, for example when the United States decided in 1959 to remove Castro is that Chávez is not a strategic threat nor is he seriously jeopardizing U.S. interests throughout the region. Also during the previous era, conservative ideology that hinged on the notion that the United States had a right to its sphere of influence in the Western Hemisphere would have sought the suppression of the Chávez government.<sup>126</sup> But today liberal internationalists would be hard pressed to act in concert with yesteryear's conservatives since there is no extra-hemispheric aggressive power seeking to work with Chavez that needs to be contained.

As a result Congress has been forced to take a more subtle approach to Venezuela and Chávez's Bolivarian Revolution. Suppression of the Chávez government can no longer be justified in terms of safeguarding the business interests of the U.S. oil majors. Rather Congress now views safeguarding U.S. business interests in broader terms that encompass not just ExxonMobil and ConocoPhillips, but more broadly the entire U.S. business sector dependent on regular arrival of crude from overseas suppliers, such as Chávez.

As Benjamin puts it, citing Blasier's work in *The Hovering Giant*, one of the critical factors that drove to a rupture of relations between Cuba and the United States during the Cold War were the economics of U.S. investments being nationalized on the

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<sup>126</sup> Benjamin provides an overview of the reasoning that motivated the United States to seek the ouster of Castro in 1959. These reasons do not compare with today's Chávez government, but do serve as a point of reference for the critical motivations during the Cold War to suppress a Latin American revolutionary government. See, Benjamin, Jules R. "The United States and the Origins of the Cuban Revolution: An Empire of Liberty in an Age of National Liberation." Princeton, NJ: Princeton University Press, 1992, pg. 196.

island and Cuban sugar exports being directed away from the United States to the Soviet Union and China.<sup>127</sup> In the past this action led the United States to accuse Cuba of being an “undependable supplier,” and resulted in what Benjamin calls an “economic slug match” where the Castro government nationalized large chunks of U.S. property on the island (August 1960) and the United States responded by cutting off all trade (October 1960). Castro responded by nationalizing all remaining U.S. properties.<sup>128</sup>

While the cycle of nationalization and retaliation came to a halt with the severing of U.S.-Cuban diplomatic relations (January 3, 1961), and remains frozen to this day, a similar situation has not occurred with Chávez. Nationalizations, or often rather re-nationalizations as in the case of CANTV, have been followed by negotiated compensation and or submission of the dispute to arbitration. The United States has refrained from seizing Venezuela’s U.S.-based assets (i.e., CITGO refineries), while Chávez has not ceased exporting Venezuelan crude to the United States and thus remains a reliable wartime supplier of crude.

Blasier’s framework consequently can be utilized to place the concurrent situation in context. The framework can highlight the fact that the Chávez government is unable to court an extra-hemispheric power as patron. If it could this would force Congress to respond by framing its decisions along Blasier’s *Proposition 3*. Furthermore Blasier’s *Proposition 4* is applicable due to its emphasis on congressional policymakers’ willingness to adopt conciliatory and or non-suppressive policies toward Chávez because of his attempts to negotiate a settlement of issues in conflict.

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<sup>127</sup> Ibid. pg. 195.

<sup>128</sup> Ibid.



Blasier's *Proposition 5*, with its economic focus also explains why Congress does not view Chávez as a serious enough threat to warrant his government's suppression. The United States has a strategic interest in assuring that Venezuelan crude oil continues to flow to U.S. refineries during wartime. Chávez during the Second Gulf War, throughout the occupation of Iraq, and the War in Afghanistan, has reliably continued to ship crude to the United States with the exception of the December 2002 to February 2003 period when the PdVSA strike disrupted shipments. Throughout Chávez's term in office, the United States has had no need to suppress his government since U.S. hemispheric political primacy although challenged by Caracas, is not seriously jeopardized. As a result Congress does not need to adopt the sort of measures associated with Blasier's *Proposition 11*.

Ultimately as Joan Dudik-Gayoso claims, what defines the United States' overall national interest still remains unchanged from the Cold War.<sup>129</sup> The U.S. Department of State as the executive branch's foreign policymaking lead agency, as well as Congress, both define the national interest in terms of foreign governments' policies and actions that jeopardize the security and prosperity of the United States. National (military) security is defined in terms of safeguarding the United States' borders and the continued survival of its population.<sup>130</sup> For Dudik-Gayoso prosperity is defined in terms of securing a stable financial system and preserving American jobs.<sup>131</sup> As a result, and by applying

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<sup>129</sup> Dudik-Gayoso, Joan, "Preparing for Multilateral Meetings." Briefing given at the Foreign Service Institute – U.S. Department of State on August 4, 2008.

<sup>130</sup> Ibid.

<sup>131</sup> Ibid. Dudik-Gayoso is the former director of the U.S. Department of State's International Organization Bureau.

Blasier's *Proposition 12*, it seems that Congress and the White House engage Chávez at the appropriate levels formulating policy in response to Chávez's revolutionary agenda on the basis of U.S. security concerns and economic considerations.

Chávez's outreach to Latin America, while troublesome, is not a major threat to vital U.S. interests, but rather represents setbacks in U.S. attempts to promote and consolidate representative democracy and neo-liberal economic reform policies in Latin America.<sup>132</sup> These are issues that affect U.S. prosperity but at present do not directly impact national (military) security. Ray Walser and James M. Roberts in "Hugo Chávez's Andean Offensive," further clarify that Chávez and his allies in Bolivia and Ecuador have "under the banner of social justice" sought to: 1) to dethrone old economic elites and traditional political parties; 2) eliminate checks and balances; 3) curb individual rights; 4) rein in "rapacious" foreign companies; and 4) resurrect failed socialist and redistributive policies.<sup>133</sup>

While both the Heritage Foundation and the American Enterprise Institute's (AEI) Roger F. Noriega concur that U.S. foreign policymakers have largely maintained silence on Chavez's antics, this study finds that the possible threatening nature of the latter's actions have so far been curtailed by the inexistence of an interventionist extra-hemispheric power and the resilience of the Venezuelan political opposition which itself handed Chávez a major electoral defeat, and loss of aura of invincibility, in the

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<sup>132</sup> Noriega indicates that the U.S. policy to Latin America since the Reagan administration has been shaped by tacit bi-partisan consensus in favor of democracy and free markets as the regional development model. See, Noriega, Roger F. "United States Foreign Policy and Strategic Dimensions," paper submitted to the Alexandre de Gusmão Foundation and the International Relations Research Institute (September 29, 2008), pg. 4, accessed November 24, 2008, [http://www.aei.org/docLib/2008107\\_Brazilconference.pdf](http://www.aei.org/docLib/2008107_Brazilconference.pdf).

<sup>133</sup> Walser, Ray, and James M. Roberts, "Hugo Chávez's Andean Offensive," in *WebMemo: The Heritage Foundation*, Number 2027 (August 18, 2008), pg. 1.

November 2008 state and municipal elections.<sup>134</sup> Barring the outright imposition of dictatorial rule these factors coupled to declining oil prices that undermine social welfare spending will serve as an effective anchor on the further radicalization of Chávez's domestic reforms and Latin American policies.

U.S. concern remains closely linked to oscillations in the international price of oil and gas. For example, in 2008 Chávez could still afford to boost his aspiration to form a strategic alliance with Moscow and welcome the stationing of Russian troops on Venezuelan soil. Chávez, buoyed by high oil prices in July 2008 could also declare his commitment to engage in regionally destabilizing weapons purchases in order to influence neighboring Colombia's own position and policies vis-à-vis Venezuela and the United States.<sup>135</sup> Yet, with the per barrel price of oil now plummeting, Chávez's capability of engaging in such action is severely constrained.

Although Chávez has reached out beyond Latin America as Dennis C. Blair, Director of National Intelligence (2009 to present) cited in his testimony before the Senate Select Intelligence Committee on February 12, 2009, by engaging China, Iran, and Russia, this sort of action is also significantly hampered by "bureaucratic and linguistic

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<sup>134</sup> Noriega, Roger F. Untitled presentation given as part of the American Enterprise Institute's "The Future of Chávez's Petro-Diplomacy," (February 11, 2009), accessed February 14, 2009, <http://app2.capitalreach.com/esp1204/servlet/tc?cn=aei&c=10162&s=20271&e=10708&&espmt=2>. See also Walser and Roberts, pgs. 1-2.

<sup>135</sup> Walser and Roberts, pg. 2 and Bernard, Anne, "Russia: Venezuela Offer to Host Bases," in *The New York Times*, (July 24, 2008), accessed February 14, 2009, [http://www.nytimes.com/2008/07/24/world/europe/24briefs-VENEZUELAOFF\\_BRF.html?scp=1&sq=chavez%20russian%20bases&st=cse](http://www.nytimes.com/2008/07/24/world/europe/24briefs-VENEZUELAOFF_BRF.html?scp=1&sq=chavez%20russian%20bases&st=cse).

obstacles to implementing accords.”<sup>136</sup> Chávez’s outreach to Russia comes too late. As Walser elaborates in “Chávez, Venezuela, and Russia: A New Cuban Missile Crisis,” current U.S-Venezuela tensions are not reminiscent of the Kennedy-Khrushchev era and the Cuban Missile Crisis (October 1962) or for that matter similar to the Central American situation of the 1979-90 period.<sup>137</sup> As Walser states, “there is no nuclear threat, no Cold War, and no clear-cut, ideological conflict such as existed in 1962.”<sup>138</sup>

By applying Blasier’s framework this study concurs with Walser’s findings that the situation in the post-Cold War is radically different from the preceding era. Chávez’s invitation to Moscow to station troops on Venezuelan territory would in the past have as Walser indicates “triggered a major international crisis.”<sup>139</sup> Today the executive and legislative branches’ reaction to such statements is more in tune with prudence and articulating cautious statements than outright calls for regime suppression.

Blasier’s framework can also be applied with regards to Chávez’s outreach to China, yet his actions are also not necessarily as threatening to U.S. vital interests as he had hoped. Despite China’s voracious appetite for strategic natural resources it needs to fuel its continued economic expansion and development, the pursuit of which has led it to take an active (economic) interest in Venezuela and thereby compete with the United States for access to these commodities, there is a marked difference between such actions

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<sup>136</sup> Blair, Dennis C. “Annual Threat Assessment of the Intelligence Community for the Senate Select Committee on Intelligence.” Washington, DC: DNI. (February 2009), Statement of Record (Unclassified), pg. 32, accessed February 13, 2009, [http://www.dni.gov/testimonies/20090212\\_testimony.pdf](http://www.dni.gov/testimonies/20090212_testimony.pdf).

<sup>137</sup> Walser, Ray, “Chávez, Venezuela, and Russia: A New Cuban Missile Crisis,” in *WebMemo: The Heritage Foundation*, Number 2064 (September 15, 2008), pg. 1.

<sup>138</sup> Ibid.

<sup>139</sup> Ibid.

and those characteristic of the Cold War superpower rivalry. High economic growth in China, coupled with burgeoning nationalism, has yet to translate into Beijing adopting a Soviet-style interventionist political-military policy for Latin America.

It bears mentioning that China's activities in Latin America, and especially in Venezuela, are relegated primarily to securing access to affordable strategic natural resources (i.e., petroleum, natural gas, minerals).<sup>140</sup> Yet China's economic ties to the region and Venezuela have not required its trade partners to downgrade their own political and economic ties with the United States, adopt a political ideology mirroring that of Beijing's, nor for that matter have any of the Latin American states been forced into a Cold War style patron-client relationship.<sup>141</sup>

An example of China's strategic economic interest in Latin America, and in Venezuela in particular, is highlighted by China National Petroleum Corporation (CNPC) agreement with the Chávez government to invest over \$10 billion in oil exploration in the Orinoco River Basin oil belt and the constructing of three oil refineries (with a combined refining capacity of 1 million barrels per day) in the near future. Chinese investment has

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<sup>140</sup> According to Richard Lapper, Venezuela is seeking to expand its current petroleum oil shipments of approximately 100,000 barrels of crude per day to China by roughly 500,000 barrels by 2011. To further facilitate this sort of oil trade, Beijing has promised to supply the Chávez government with supertankers for trans-oceanic shipments, as well as provide financial assistance for the construction of twelve offshore oil drilling sites. See, Lapper, Richard, "Living with Hugo: U.S. Policy towards Hugo Chávez's Venezuela," Council on Foreign Relations, CSRNumber 20 (November 2006), pg. 14, accessed June 20, 2008, [http://books.google.com/books?hl=en&id=lLoCV50T4nwC&dq=richard+lapper&printsec=frontcover&source=web&ots=1Kp9nIPvwt&sig=9ZPF1oKiVTFVAQLxAq38tzO68-k&sa=X&oi=book\\_result&resnum=6&ct=result#PPP1,M1](http://books.google.com/books?hl=en&id=lLoCV50T4nwC&dq=richard+lapper&printsec=frontcover&source=web&ots=1Kp9nIPvwt&sig=9ZPF1oKiVTFVAQLxAq38tzO68-k&sa=X&oi=book_result&resnum=6&ct=result#PPP1,M1).

<sup>141</sup> Note that both the People's Republic of China (mainland) and Taiwan in recent years have engaged in checkbook diplomacy in the Latin American and Caribbean regions. This competition has however not impacted the United States' own relations with Latin America and the Caribbean countries.

sparked interest in Washington foreign policymaking circles as could be expected, but not in terms of it politically destabilizing the region.<sup>142</sup>

Such economic agreements and level of cooperation although a source of concern to some in Congress, since they have the potential to impact the U.S. domestic energy market, are not great enough to necessitate the enactment of suppressive policies. Although Chávez's revolutionary reforms have indeed impacted U.S. private interests (*Proposition 5*) in Venezuela, these have failed to meet the test of seriously threatening U.S. vital (military security) interests. Thus the recent Sino-Venezuelan agreements all fall far short of heralding the basing of Chinese military forces on the Latin American mainland (*Proposition 3*).<sup>143</sup>

Based on Blasier's *Proposition 5*, another factor responsible for tempering U.S. congressional backlash against Venezuela with regards to the impact of Chávez's revolutionary reforms on U.S. private business interests is the fact that the Chávez government has endeavored, and largely succeeded, in negotiating fair and rapid compensation for most properties impacted by the government's nationalization measures. For example, in the telecommunications sector the re-nationalization of *Compañía Anónima Nacional de Teléfonos de Venezuela* (CANTV) on May 22, 2007, occurred only after U.S.-based Verizon and the AES Corporation, as the majority

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<sup>142</sup> *China Business News*, "Venezuela and China ink \$10 billion oil deal," (September 13, 2007) in International Crisis Group, "Venezuela: Political Reform or Regime Demise," in Latin America Report Number 27 (July 23, 2008), pg. 9, accessed July 24, 2008, [http://www.crisisgroup.org/library/documents/latin\\_america/27\\_venezuela\\_political\\_reform\\_or\\_regime\\_demise.pdf](http://www.crisisgroup.org/library/documents/latin_america/27_venezuela_political_reform_or_regime_demise.pdf).

<sup>143</sup> The stationing and or the possibility of basing foreign, anti-American forces in the Americas drove U.S. foreign policymakers during the Cold War to justify suppressive measures against revolutionary movements and governments which paved the way for overt and covert U.S. military action.

shareholders of CANTV, reached a negotiated agreement with the Venezuelan government on compensation.<sup>144</sup>

When other such attempts have failed (e.g. the ongoing dispute between the Chávez government and ExxonMobil and ConocoPhillips), the Venezuelan government has exercised the legal option of pursuing nationalization and re-nationalization disputes with private domestic and foreign firms in the courts (*Proposition 4*). The Chávez government in this way has been forced to pursue expropriations of privately held property within an established legal framework since Venezuela's Bolivarian constitutional reforms have not done away with the constitutional right to own property. Thus in order for the Chávez government to legally expropriate private property, a factor that itself provides some measure of safety to foreign direct investment, Venezuela's courts must ratify the government's proposed expropriation procedures and assure that just compensation is paid out to the affected parties in a timely manner.<sup>145</sup>

Nevertheless there is an alternative method that the Chávez government uses in order to expropriate privately held property which bears mentioning, since it is much less transparent than the method outlined above. The Venezuelan government is known to pursue direct negotiations with targeted companies prior to making its intent to nationalize publicly known. Motivating the government to act in this manner is its political need to obtain an expeditious resolution to, and control over a disputed property.

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<sup>144</sup> The Venezuelan government acquired 79.6 percent of the outstanding shares of CANTV, which in addition to the 6.6 percent of shares that it already owned brought the government's control of shares to 86.2 percent. This re-nationalization was structured as an acquisition of shares and not an outright government take-over.

<sup>145</sup> Briefing at Export-Import Bank of the United States, "Venezuela Country Briefing: Legal Aspects of Nationalizations," (July 2008).

Out of political necessity the Chávez government may seek to bypass the more cumbersome and time consuming judicial ruling expropriation mechanism.<sup>146</sup> This sort of action by the government undermines the rule of law since it places undue pressure on the company's directors to surrender a firm's control over to the state.

Obtaining a final judicial ruling in Venezuela is often too slow for meeting the political objectives of the Chávez government. The Chávez government is increasingly handicapped by its failure to empower civil society, as well as address society's concerns with insecurity, food shortages, growing inflation, and corruption despite the record windfall from high petroleum prices. The need to placate constituent wealth redistribution demands motivates the Chávez government to scout out quick political-economic deliverables that can serve to deflect popular discontent.<sup>147</sup>

The Chávez government favors closed door negotiations as a way of pressuring company owners and or their boards of directors to sell their controlling interests to the government.<sup>148</sup> However, the compulsory nature of the sale is brought to the forefront by the Chávez government's practice of publishing in the press the name of a firm that has been targeted for nationalization. A company's owners and directors confronted by this public threat "voluntarily" turn over control of their interests to the government. The non-voluntary nature of the sale is made all the more evident by the fact that should the

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<sup>146</sup> Ibid.

<sup>147</sup> Chávez feels politically threatened by any sort of discontent that has the potential to translate into support for the opposition. International Crisis Group, "Venezuela: Political Reform or Regime Demise," in Latin America Report Number 27 (July 23, 2008), pg. 3, accessed July 24, 2008, [http://www.crisisgroup.org/library/documents/latin\\_america/27\\_venezuela\\_political\\_reform\\_or\\_regime\\_demise.pdf](http://www.crisisgroup.org/library/documents/latin_america/27_venezuela_political_reform_or_regime_demise.pdf).

<sup>148</sup> Briefing at Export-Import Bank of the United States, "Venezuela Country Briefing: Legal Aspects of Nationalizations," (July 2008).



company resist its expropriation, the Chávez government will retaliate by investigating the company and its directors for tax irregularities and environmental damages and or non-compliance with regulations as an inducement to reach an understanding.<sup>149</sup>

The non-transparent nature of these transactions is also highlighted by the fact that the Chávez government seldom fails to uncover some contingency that lowers the book value of the targeted asset. It is a very smart, subtle way of nationalizing a private entity. To further elicit a non-contested or minimally contested sale, the Chávez government will offer compensation in the form of future rights to bid on new projects. The Chávez government's offer has been taken up by four of the six oil majors affected by the Chávez's re-nationalization of the Orinoco River Basin petroleum projects.<sup>150</sup>

While U.S. economic and private business interests remain important in the formulation of U.S. foreign policy towards Venezuela (*Proposition 5*), the absence of an imminent, tangible extra-hemispheric threat to vital U.S. interests has caused the relegation of U.S. foreign policymaking to the bureaucratic level (*Proposition 7, 8, and 9*) with limited participation by the President or the Secretary of State (*Proposition 6*). At present there is limited U.S. senior (presidential or cabinet) level participation despite the fact that the Chávez government has made it quite clear that in the near future it intends to target the country's banking, gas distribution, and mining sectors, sectors that count on American private interest involvement.

U.S. Congressional concern with the state of Venezuelan democracy and the reorganization of the country's economy, led U.S. Representative Connie Mack (R-

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<sup>149</sup> Ibid.

<sup>150</sup> Ibid.

Florida, 2005 to present) in February 2007 to question not only the sweeping powers that Venezuelan lawmakers have given Chávez via an Enabling Law (*ley habilitante*), but also why the Bush administration remained indifferent to such measures.<sup>151</sup> Mack, disagreeing with the Bush administration's "hand-off- Chávez" approach was in this specific case referring to the comments made by the U.S. Department of State's Tom Shannon, Assistant Secretary of State for Western Hemisphere, who in an Associated Press interview stated:

“...the enabling law isn't anything new in Venezuela. It's something valid under the constitution. As with any tool of democracy, it depends how it is used. At the end of the day, it's not a question for the United States or for other countries, but for Venezuela.”<sup>152</sup>

As indicated in the preceding sections, post-Cold War's absence of a militarily powerful and ideologically hostile extra-hemispheric power (equivalent to the Soviet Union) undertaking an interventionist foreign policy minimizes the military security threat potential posed by Chávez's revolutionary changes. The Bush administration and most members of Congress, distracted by concerns in the Middle East and China's economic and political growing pains, recognized this reality. Both branches during the previous administration largely concurred with the assessment that Chávez's economic threat is of minor concern and does not merit the pursuit of policies that would needlessly

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<sup>151</sup> See, U.S. Government Printing Office – U.S. Congressional Record (Extension Remarks), “Concerning Venezuela's Passage of the Enabling Law,” Volume 153, (2007), February 8, 2007, pg. E300, accessed July 30, 2008, <http://frwebgate2.access.gpo.gov/cgi-bin/PDFgate.cgi?WAISdocID=6285064467+4+1+0&WAIAction=retrieve>.

<sup>152</sup> Ibid. pg. E300.

overstretch already hard pressed U.S. diplomatic and military resources because of disagreements over ideology.

The Obama administration is now confronted with either continuing the preceding administration's policy of non-reaction toward Chávez's acerbic baiting or elevating the level of engagement to the senior executive level in order to find a level of mutually acceptable recognition and understanding of common interests. Arguing against Chávez lowering the volume of the rhetoric is the fact that he, in times of high oil prices, needs to lambast the United States for domestic political support and international recognition. Arguing for Chávez putting aside the acerbic baiting of the United States is the fact that Venezuela remains dependent on the U.S. energy market and that prices for its main export commodity (oil) has fallen by two-thirds to the \$40-\$45 range (February 2009).<sup>153</sup>

Although Chávez and Cuba may seek to continue to exploit Washington's distraction with other parts of the world in order to fill the political vacuum in Latin America with like-minded socialist/populist leaders, their success has been largely limited by other (moderate, more U.S.-friendly) Latin American states such as Brazil and Mexico whose own political and economic development success stories are more attractive than those proposed by Bolivarian Venezuela and Castro's Cuba. Especially damning for Chávez is the case of Chile, which unlike Venezuela has had the economic foresight to establish a sovereign wealth fund which reinvested returns from copper exports. Chile's sovereign wealth fund will help mitigate the impact of economic

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<sup>153</sup> Value given refers to West Texas Intermediate and Brent oil which are lower in sulfur content and thus command roughly a 20 percent premium, or \$6 to \$8, over Venezuelan heavy crude oil.

recession on the national economy.<sup>154</sup> Not only has Chávez failed to implement a similar safety measure, his government routinely forces the Central Bank of Venezuela to undertake unrequited reserve currency transfers to the administration which results in both the de-capitalization of the bank and increases in inflationary tendencies.<sup>155</sup>

J. Michael McConnell, Director of National Intelligence (2007-09), in February 2008 testified before the Senate Select Committee on Intelligence that Chávez and Cuba sought to inspire and support leaders in Bolivia, Nicaragua, and Ecuador to pursue agendas that undercut these countries' checks-and-balances on presidential power and also advocated the adoption of anti-American policies.<sup>156</sup> McConnell sought to bring to the attention of the Senate the executive branch's concerns with Chávez's and Cuba's anti-American rhetoric which seeks to inspire like-minded states in the Americas to align with Iran. Such action, while not interpreted necessarily as a threat to the military security interests of the United States, does however recognize that there is a movement to adopt measures that clash with U.S. political interests and initiatives.<sup>157</sup>

In February 2009, Dennis C. Blair, Director of National Intelligence (2009 to present) voiced similar concerns but emphasized that Chávez is now facing increased

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<sup>154</sup> Ramos, Alberto. "Venezuela: Challenging Outlook – Unconventional Policies; Large Macro Imbalances," presentation given as part of the American Enterprise Institute's "The Future of Chávez's Petro-Diplomacy," (February 11, 2009), <http://app2.capitalreach.com/esp1204/servlet/tc?cn=aei&c=10162&s=20271&e=10708&&espmt=2> and [http://www.aei.org/docLib/20090211\\_Ramos.pdf](http://www.aei.org/docLib/20090211_Ramos.pdf).

<sup>155</sup> Ibid.

<sup>156</sup> See, McConnell, J. Michael, "Annual Threat Assessment of the Director of National Intelligence for the Senate Select Committee on Intelligence," Statement for the Record delivered in Washington, DC, on February 5, 2008, accessed June 25, 2008, pg. 34, <http://f11.findlaw.com/news.findlwa.com/hdocs/docs/terrorism/nie20805din.pdf>.

<sup>157</sup> Ibid. pgs. 34-35.

constraints in expanding his influence both at home and in Latin America.<sup>158</sup> With the barrel price of oil (West Texas Intermediate) being forecast to stay below \$50 for 2009, Chávez will find it difficult to maintain current spending levels.<sup>159</sup> Blair indicates that Chávez will be forced to make significant cuts in domestic and foreign spending, as well as devalue the Bolivar and draw down on hard currency reserves.<sup>160</sup>

Alberto Ramos, Senior Economist at Goldman Sachs, and Gustavo Coronel, Associate Editor of *Petroleum World*, agree with Blair's assessment and say that Chávez will face increased constraints in financing reforms at home and abroad as the price of oil falls below the point where revenues can keep up with government spending.<sup>161</sup> Both foresee Chávez being forced to scale back support for his welfare spending programs (*misiones*) and carry out a devaluation of the overvalued Venezuelan currency in 2009.<sup>162</sup>

The need to scale back on spending will limit Chávez's ability to form a strategic alliance with Russia. In any case, such an alliance needs to be seen in terms of Russian commercial and diplomatic opportunism. Russian President Dmitry Medvedev's willingness to engage Chávez and sell offensive weapons to Venezuela is a matter of concern, but ultimately does not pose a threat to U.S. military security interests.

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<sup>158</sup> Blair, pgs. 32-33.

<sup>159</sup> Ibid.

<sup>160</sup> Blair also highlighted in his testimony the concern with Chávez's dealings with Iran which have led the U.S. Treasury Department to designate two Venezuelan-based individuals (of which one was a Venezuelan diplomat) as supporters of terrorism for providing Iran-backed Hizballah members with logistical and financial support. Ibid., pgs. 31-32.

<sup>161</sup> Ramos (2009). Also see Coronel, Gustavo. "The Future of Hugo Chávez's Petro-Diplomacy," presentation given as part of the American Enterprise Institute's "The Future of Chávez's Petro-Diplomacy," (February 11, 2009), <http://app2.capitalreach.com/esp1204/servlet/tc?cn=aei&c=10162&s=20271&e=10708&&espmt=2> and [http://www.aei.org/docLib/20090211\\_Coronel.pdf](http://www.aei.org/docLib/20090211_Coronel.pdf).

<sup>162</sup> Ibid.

Medvedev, much like his predecessor Vladimir Putin, is currently pursuing weapons sales to the Chávez government to irritate the United States, but this is not significantly alarming enough to challenge the U.S. position in the Latin American region.<sup>163</sup> U.S. weapon sales to Taiwan and military cooperation with Georgia similarly irritate both China and Russia, but do not necessarily pose a political-military security threat to the continued survival of these countries.<sup>164</sup>

If Chávez's Bolivarian revolution had gained political power prior to the end of the Cold War, under such a scenario oil-rich Venezuela's drift toward socialism could have potentially been seen as a greater threat to U.S. political-military security interests than Nicaragua's Sandinista government. Under such circumstance there would have been greater involvement by the President and the Cabinet in strategic decision making (*Proposition 6*) and the need for the adoption of suppressive policies. Such action by Washington would have been required in order for the United States to retain hemispheric political primacy (*Proposition 11*), since Bolivarianism is held up by Chávez

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<sup>163</sup> Despite its own petroleum and natural gas windfall Russia is incapable of undertaking an interventionist role in Latin America like the Soviet Union did in the past. In spite of the rhetoric associated with Russia's desire to be considered a superpower, it is economically far too intertwined with the West and the United States to seriously risk a confrontation over Chávez. Russia is far too weak militarily and technologically compared to the United States and is actually fearful of American encroachment via the expansion of the North Atlantic Treaty Organization (NATO) into its traditional sphere of influence in Eastern Europe and the Caucasus. At best Russo-Venezuelan cooperation will be relegated to economic cooperation in the energy sector as highlighted by the bilateral cooperation on energy agreement between Moscow and Caracas that authorizes three Russian energy companies to operate in Venezuela. See, British Broadcasting Corporation (BBC), "Chávez calls for Russia Alliance," in BBC News, (July 22, 2008), accessed July 22, 2008, <http://news.bbc.co.uk/2/hi/europe/7520624.stm>.

<sup>164</sup> Chavez has purchased more than \$5.3 billion in new weapons since 2005 from Russia, China, and Spain. However Chávez's military purchases "are plagued by logistic, military and transportation shortfalls. Notable purchases from Russia include 24 Su-30MK2 fighters, helicopters, and assault rifles. See, Blair, pg. 32. Chávez also has a \$1 to \$2 billion line of credit to purchase Russian submarines. See, Coronel.

as a Latin American alternative for U.S. region leadership. Bolivarian Venezuelan has so far failed to achieve its objective with the exception of Bolivia.<sup>165</sup>

Since such a scenario has not played out, nor is there likelihood that it will, U.S. congressional concern will remain focused on otherwise more mundane, less critical (non-vital) soft interests. Congress will remain focused on the state of Venezuelan democracy, the Chávez government's lack of competence for properly administering the economy, and Venezuela's unassailable bureaucratic corruption.<sup>166</sup>

Not surprisingly these issues, as well as the nationalization process itself, have been adversely impacted by the Venezuelan judicial system's diminished autonomy vis-à-vis that country's executive branch.<sup>167</sup> The emasculation of the Venezuelan judicial system's autonomy is evidenced by the ease with which Chávez has been able to appoint

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<sup>165</sup> Should the Russian Federation however confirm its intent to land Tu-160 (nuclear capable) supersonic bombers in Cuba (or Venezuela) in response to the planned U.S. missile defense shield in Europe which Moscow opposes, then the United States would need to send a strong response that a threshold has been crossed. See, U.S. Air Force General Norton Schwartz comments to the U.S. Senate Armed Services Committee in response to an unconfirmed Russian Izvestia newspaper report reminiscent of the 1962 Cuban missile crisis in Franks, Jeff and Eric Beech, "Cuba Silent on Russian Bomber Report: Fidel Castro," (July 24, 2008), accessed July 24, 2008, <http://www.reuters.com/article/wtMostRead/idUSN2346531520080724?pageNumber=1&virtualBrandChannel=0>.

<sup>166</sup> This does not mean that members of Congress are not attempting to link Chávez's recent weapons purchases and support for neighboring Colombia's FARC to greater U.S. strategic concerns. However many of these concerns fall under the rubric of energy security concern and not political-military threats to the vital interests of the United States. For an example of this sort of situation see, U.S. Government Printing Office – U.S. Congressional Record (House), "National Energy Security Intelligence Act of 2008," Volume 154 (2008), July 22, 2008, pgs. H6796 to 6798, accessed July 30, 2008, <http://frwebgate3.access.gpo.gov/cgi-bin/PDFgate.cgi?WAISdocID=6343469505+8+1+0&WAIAction=retrieve>.

<sup>167</sup> Lapper indicates that the Chávez government has dramatically increased the influence of Venezuela's executive branch over the judiciary. In this sense the Chávez government reformed the basic law of the Venezuelan Supreme Court and managed to increase the number of sitting judges from twenty to thirty-two. All new judges are Chávez loyalists. As a consequence, far from representing a check on executive power, Lapper finds that the judicial branch has centralized political control in the presidency. To illustrate this state of affairs, Lapper utilizes the case of Isaías Rodríguez, Venezuela's public prosecutor who as a Chávez supporter has utilized his position to promote the Chávez government's interests. See, Lapper, pg. 10.

80 percent of all sitting judges since taking power.<sup>168</sup> Executive control of the judiciary has not resulted in improved transparency, nor has it diminished official corruption.<sup>169</sup> What is alarming about this state of affairs is that Chávez, as an expert on “Chavismo,” a decade ago forewarned Venezuela and the world of his intentions by stating that:

“In Venezuela, the Republic is over.... There is no social contract, no State, no serious executive branch, no real government, no real legislative branch that legislates according to the needs of the country, and no judicial branch.... I will not rule with political parties.”<sup>170</sup>

Chávez Bolivarian revolutionary program is out of sync with the current time.

Had Chávez come to power in the 1980s his revolutionary agenda, coupled with Venezuela’s oil reserves and greater U.S. dependence on these, could have plausibly then represented a threat to U.S. vital interests. However, today’s geopolitical realities make

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<sup>168</sup> These judges, as temporary political appointees, can be dismissed by the Chávez government easily should they rule unfavorably for the government.

<sup>169</sup> While Latin America is well known for its high levels of corruption, Venezuela is considered to be one of the most corrupt countries in the region. It is only marginally less corrupt than the likes of Ecuador, Haiti, and Paraguay. Corruption in this sense is often defined as the use of a position of trust for dishonest gain for that person or third parties, and against the general interest of the institution or community. Gustavo Coronel in “Curbing Corruption in Venezuela,” states that Venezuela’s corruption is due to three factors: “motive, opportunity and impunity. Motive: thousands of public employees who feel underpaid and distrusted by the community, feel that they might as well get what they can while they can. Opportunity: presented by the combination of ineptness with lack of controls and administrative procedures, chaotic management and indifferent bureaucrats. Impunity: No one is punished, no one is indicted. Coronel states that around \$10 billion have been stolen during Chavez’s administration and no one has been made accountable. See, Beech, Alexandra and Maritza Ramírez de Agha, “Venezuela and Corruption,” accessed July 30, 2008, <http://centralasia.usaid.gov/datafiles/act/venezuelaandcorruption.pdf>. Also see Lapper, who argues that while the Venezuelan government has been frequently charged with corruption, as evidenced by the fact that 95 percent of all government contracts were awarded without competitive bids in 2004, a fact that implies widespread bribery. Furthermore, former Supreme Court Justice Luis Velázquez, a staunch Chávez supporter was accused in 2006 of receiving more than \$4 million in kinckbacks, but has not yet been charged with any crime. See, Lapper, pg. 11.

<sup>170</sup> Noriega, Roger F. “Venezuela under Chávez: The Path toward Dictatorship,” in *Latin American Outlook – AEI Online*, (June 6, 2006), Number 3, 2006, accessed February 14, 2009, [http://www.aei.org/publications/pubID.24491/pub\\_detail.asp](http://www.aei.org/publications/pubID.24491/pub_detail.asp).



Chávez and his Bolivarian revolution irrelevant to the continued survival of the United States.

Much like the Cold War era Sandinista revolutionary government (1979-90), Chávez today is merely an irritant and distraction for U.S. policymakers as evidenced by the fact most issues dealing with Venezuela are handled by the executive branch's permanent bureaucracy (Blasier's *Proposition 7, 8, and 9*) and congressional concern is focused on more parochial constituent concerns that directly impact a member of Congress's ability to get reelected – hardly a matter of national survival when compared to Cold War issues such as the Cuban Missile Crisis (October 15-28, 1962).<sup>171</sup>

With the Cold War political-military struggle over, the United States as the planet's sole remaining superpower is not confronted at present by a rival of equal magnitude as the Soviet Union in its heyday. Rather the United States government and U.S. Congress funding the government's overseas activities, is today confronting what Peter J. Katzenstein in *The Culture of National Security: Norms and Identity in World Politics*, characterizes as “a pandemonium of ethnic wars and wars of rage caused by the

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<sup>171</sup> A Cold War, anti-U.S. and pro-Moscow regime in Caracas economically and militarily subsidized by the Soviets could have potentially provided the Soviets with a foothold in South America, influence over significant petroleum reserves on which the United States was then more heavily dependent upon. Such a scenario could have also have threatened the Panama Canal (then controlled by the United States) and U.S. interest in Central America and the Caribbean (*Propositions 3 and 4*). Today even Chávez's attempts to procure four anti-shipping, shallow water Russian-built diesel-electric Kilo Class Type 636 submarines (valued at \$1 billion, with \$800 million being financed by Russia), does not critically threaten U.S. shipping in the approaches to the Panama Canal or other vital U.S. interests. Unlike nuclear powered submarines, the Type 636's diesel engines although quiet cannot operate for extend periods of time submerged (400 nautical miles at 3 knots per hour submerged), a factor that make them prone to detection. Furthermore, the United States economy in the post-Cold War is not as reliant as it was in the past on shipping going through the Panama Canal. U.S. Navy super (aircraft)-carriers, oil supertankers, and increasing numbers of container ships are of post-PanaMax design and are thus unable to utilize the Panama Canal.

excessive weakness, not strength of states.”<sup>172</sup> Hence the concern evidenced in the Congressional Record Index with regard to Iran (Graph 13), which indicates that starting in 2004 congressional concern with Iran has begun to outpace congressional concern even with China.<sup>173</sup>

At the same time Chávez’s Bolivarian revolution, and the state apparatus that is implementing the socialist-inspired reform (revolutionary) agenda in Venezuela, remains dependent on access to the U.S. energy markets. The Chávez government is dependent on ensuring the preservation of a viable global economy in order to fund its revolutionary reform programs at home and abroad. This fact is evidenced by Chávez’s desire to deepen, not curtail economic integration with his neighbors by offering to provide them with Venezuelan crude oil on favorable terms.

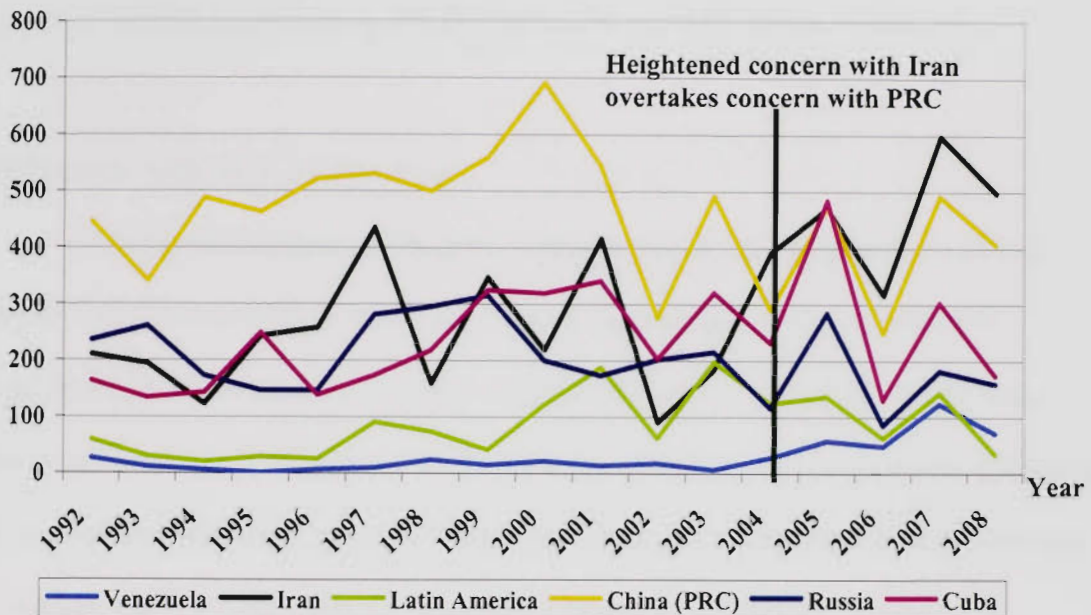
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<sup>172</sup> Katzenstein, Peter J., editor, *The Culture of National Security: Norms and Identity in World Politics*. New York, NY: Columbia University Press, 1996, pg. 499.

<sup>173</sup> Lapper indicates that Chávez is seeking to exploit strong global hostility to the United States and its actions in Iraq and support for Israel. While Venezuela’s relationship and cooperation does not represent a new variable in the U.S.-Venezuela bi-lateral relationship, Iran’s decision to construct factories and vehicles in Venezuela, as well as PetroPars (Iran’s state oil company), expressed interest in assisting Venezuela in expanding its oil sector’s output has nonetheless caused a measure of concern in Washington. See, Lapper, pg. 18.

**Graph 13 – U.S. Congressional Concerns with Venezuela and Latin America vis-à-vis Russia, China and Iran (1992-2008)**

Congressional Record, Individual Documents



Note congressional concern with Cuba has remain high in the post-Cold War period despite the collapse of the Soviet Union and Russia’s severing of its economic lifeline to Havana largely as a consequence of the Castro regime’s ability to muddle along economically while continuing to defy the United States and the politically powerful Cuban exile community.

Source: Compiled from U.S. Government Printing Office – U.S. Congressional Record Index, 1983-2008, accessed July 25, 2008 and February 14, 2009, <http://www.gpoaccess.gov/cr/index.html>.

Today’s Bolivarian program, although compatible with yesteryear’s Soviet interventionism, is incompatible with radical Islamic fundamentalism which is the preeminent threat facing the United States. Graph 13 highlights growing congressional concern with Iran, which since 2004 has now overtaken concern with China.

However Chávez’s Venezuela and Iran, outside of a deep hatred of the United States have little else in common – they do not share the same language, religion, or

worldview. As a result the U.S. Congress, despite Chávez's anti-American rhetoric, political theatrics, and overtures to Iran and other anti-American powers, continues to see Bolivarianism, much like it saw Sandinismo, largely as a nuisance to U.S. interests in Latin America. Neither Sandinismo during the Cold War, nor Chávez Bolivarianism in the post-Cold War period, represent a threat to U.S. military security interests.

### **Oil Exports, Chávez's Achilles Heal**

As indicated throughout Chapter 5 and in the preceding section of the present chapter, Chávez and his Bolivarian revolution are susceptible to any disruption in Venezuela's access to the United States energy markets. The United States can turn to alternative suppliers fairly quickly for its daily petroleum import requirements (including the international spot market), since there is always a producer willing to take advantage of another supplier's loss. The Caracas government is much more exposed to any disruption in its trade relationship with the United States. Economic vulnerability, not congressional accusations levied at Caracas for a watering down representative democracy in favor of participatory democracy is what actually serves to constrain Chávez.<sup>174</sup>

The Chávez administration, should it follow through on its oft repeated threat to cut off the United States in retaliation for U.S. foreign policies that it disagrees with, will be hard pressed to locate in the short- to medium-term a replacement buyer for its crude oil exports. Although China has shown interest in Venezuelan petroleum, the economics

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<sup>174</sup> Hakim, Peter, "Is Washington Losing Latin America," in *Foreign Affairs*, (January/ February 2006), Volume 85, Number 1, pgs. 42-44.

of trade and logistics do not favor Venezuelan aspirations to replace the United States energy market with a Chinese one.<sup>175</sup> The financial crisis and global recession of 2009-10 will lower demand for petroleum, driving down prices for consumers and cutting revenues for producers. As a result Blair indicates that declining revenues may put the squeeze on the adventurism of producers like Iran and Venezuela.<sup>176</sup>

Factors arguing against Chávez's shift towards Beijing, which ultimately favors the position of the United States in the bilateral relationship are: 1) PdVSA (*Petróelos de Venezuela Sociedad Anónima*), Venezuela's state oil company, has major refining asset capacity for Venezuelan heavy, sour crude oil in the United States that could be seized in the eventuality of a need to freeze assets; 2) there has been scant investor interest in acquiring the PdVSA refineries in the United States since these are specifically equipped/tooled to only process Venezuelan heavy, sour crude, which could be cut off by Chávez if the same was no longer burdened by the requirement to use U.S.-based refineries to generate income to fund his Bolivarian revolutionary programs; 3) proximity to market – it takes four days for an oil tanker to travel from Venezuela to the United States, while it takes roughly forty-eight days to make a round trip voyage to China from Venezuela via the Panama Canal; 4) bigger tankers (e.g. SuezMax, VLCC, or ULCC) sailing to China are not a viable option because draft limitations (shallow water depth) in Lake Maracaibo (location of Venezuela's principal crude oil loading facilities); 5) travel through the Panama Canal, with its accompanying tolls, on smaller PanaMax (79,000 DWT) tankers

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<sup>175</sup> As Lapper indicates, China has greater priorities with the United States be it in terms of trade, Taiwan, its currency, or North Korea that exceed the potential strategic profit associated with supporting Chávez in order to antagonize Washington. China has been willing to purchase Venezuelan crude only at deeply discounted prices. See, Lapper pg. 25.

<sup>176</sup> Blair, pg. 3.

increases shipping costs at least five-fold compared to the larger Aframax vessels (79,000 to 120,000 DWT) used in the Venezuela/ U.S. Gulf trade; and 6) ultimately the volatility in the oil market and in tanker prices is subject to swing producer and U.S. ally Saudi Arabia's, continued policy of pricing East-of-Suez oil exports at a premium compared to shipments destined to the West.<sup>177</sup>

In an age characterized by asymmetries of power, Chávez is correct in his assertion that “oil is a geopolitical weapon.”<sup>178</sup> Chávez is slowly realizing that although he has at his disposal significant petroleum reserves and an established market presence with the largest consumer of oil and oil products in the world, oil like any other weapon if misused can backfire. An example of this situation is the conclusion that Chávez's largesse to the PetroCaribe members, which includes approximately 93,000 barrels per day to Cuba, comes at a huge financial cost of lost revenue in exchange for international support.<sup>179</sup> According to Coronel, buying Cuban support for the Venezuelan regime has

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<sup>177</sup> Note that heavy crude oil requires more refining, whereas as sour crude oil has a higher content of sulfur. There are two types of oil tankers – tankers that carry crude oil and tankers that carry refined products such as gasoline, aviation fuel, paraffin, and kerosene. There seven size classifications for tankers based on dead weight tonnage (DWT): 1) Handy-size (20,000 to 30,000 DWT); 2) HandyMax (approximately 45,000 DWT); 3) Panamax (79,000 DWT); 4) Aframax (79,000 to 120,000 DWT); 5) SuezMax (120,000 to 180,000 DWT); 6) VLCC or Very Large Crude Carrier (200,000 to 300,000 DWT); and 7) ULCC or Ultra Large Crude Carrier (over 300,000 DWT). For the economics of shipping Venezuelan crude oil to China in comparison to shipping costs to the United States, see, Nersesian, Roy, “The Economics of Shipping Venezuelan Crude to China,” in *The Oil and Gas Review* (2005), Issue Number 2, pgs. 78-80, accessed July 5, 2008, [http://www.touchbriefings.com/pdf/1736/nersesian\\_lr.pdf](http://www.touchbriefings.com/pdf/1736/nersesian_lr.pdf). See transit times also see, Miller, Christian T., “Venezuela Strike Pushes Nation to Crisis,” in the *Los Angeles Times* (December 6, 2002), accessed July 5, 2008, <http://articles.latimes.com/2002/dec/06/world/fg-strike6>.

<sup>178</sup> As Nikolas Kozloff indicates, Chávez realized even before his 1998 election that Venezuela possesses a natural resource (e.g. petroleum) in such abundance that its possession allows the country to exert a role in the world that it would not have were it not for the economic leverage provided by petroleum. In one fell swoop Chávez links his disdain for Venezuela's (flawed) representative democratic procedures and institutions with his rejection of the United States in his statement that “these imbeciles who govern us don't realize the power they have, as an oil-producing country.” See, Kozloff, Nikolas, *Hugo Chávez: Oil, Politics, and the Challenge to the United States*. New York, NY: Palgrave MacMillan, 2006, pg. 7.

cost Chávez somewhere in the neighborhood of \$15 to \$16 billion over the past five years. Cuba, like other PetroCaribe participants, often pays in kind with health care, sports trainers, bodyguards, and foodstuffs such as beans and bananas and not cash on the barrel like the United States.<sup>180</sup>

Chávez is facing a conundrum in that his government and its reformist (revolutionary) agenda are dependent on oil profits from crude oil sales to the United States.<sup>181</sup> Chavez's hopes to entice China to build refineries specifically tooled to process Venezuelan heavy sour crude will takes years to become operational. Over dependence on oil exports has been further compounded by the Chávez government's myopic decision to under invest in PdVSA's CITGO operations in the United States. Under investment has led to a drop in current refining capacity as needed upgrades and repairs have been repeatedly put off.<sup>182</sup>

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<sup>179</sup> Coronel.

<sup>180</sup> Ibid.

<sup>181</sup> Interestingly enough in Bolivarian Venezuela under Chávez, checks and balances on the executive branch have degraded to the point that policymaking is now largely an executive driven process with the National Legislative Assembly becoming increasingly subservient to Chávez by allowing the same to bypass congress and rubber stamp executive decreed reforms. Gulliermo O'Donnell characterizes the deficit of horizontal and vertical accountability, characteristic of reformist governments and their proclivity to isolate their technocrats from criticism, as being a state of delegative democracy. See, Williamns, Mark Eric, "Escaping Zero-sum Scenario: Democracy versus Technocracy in Latin America," in *Political Science Quarterly*, (Spring 2006), Volume 121, Number 1, pg. 122.

<sup>182</sup> The capital expenditures for the construction of a modern, large capacity refinery (e.g. with processing capacity of 10.5 million tons of crude annually, or 200,000 barrels per day) is estimated at between \$3 to \$4 billion and will take at least three to five years to construct depending on choice of location and access to parts and supplies. Annual operating expenditures for such a refinery are estimated at roughly \$400 million. See, Socor, Vladimir, "Oil Refinery Construction Project Examined at the Kyiv Energy Summit," in *Eurasia Daily Monitor* – Published by the Jamestown Foundation, (May 30, 2008), accessed July 6, 2008, [http://www.jamestown.org/edm/article.php?article\\_id=2373102](http://www.jamestown.org/edm/article.php?article_id=2373102). Economic factors as well as environmental impact of refineries have prevented any new refinery construction in the United States in the past three decades and required refiners, such as PdVSA-owned CITGO to commit to costly modernization and pollution abatement upgrades. CITGO has delayed its own refinery upgrades required by the U.S. government to produce cleaner fuels as a result of the requirement to maximize its payments repatriation

Rafael Amiel of Global Insight's Country Intelligence Group indicates that Chávez's re-nationalization of Venezuela's Orinoco River Basin oil belt is nothing more than a well-worn rehashing of an old story whereby populist leaders claim that the country and its resources are being exploited by foreign corporations and governments.<sup>183</sup>

Despite Chávez's populist rhetoric, Venezuela has already gone through a previous round of nationalizations in the petroleum sector. During the 1975-76 period Venezuela passed the Oil Nationalization Law. The Oil Nationalization Law placed all oil production and distribution activities under state control.<sup>184</sup> However the Venezuelan government then did foresee the need for a role for the private sector as evidenced by reserving the right to contract out to foreign multi-nationals technical services and marketing activities.<sup>185</sup> What has changed compared to the past is that until early 2009, Venezuela's approach to nationalization focused on contract re-negotiation where the

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of profits to PdVSA. As a result of curtailing investments in the United States, CITGO has scrapped worthwhile investments that would have otherwise increased its refining capacity. See, Campoy, Ann and David Luhnaw, "CITGO Scales Back in U.S. to Fund Chávez: Venezuelan Owners Put Own Team and Take Refiner's Profit Home," in *The Wall Street Journal*, (November 16, 2007), Volume CCL, Number 117, pgs. A1 and A18.

<sup>183</sup> Amiel, Rafael, "Energy Security and Resource Nationalism: Latin America," presentation given at the Global Insight World Economic outlook Conference, (October 25-26, 2006), Washington, DC. See also Lapper who in this sense concurs and states that "in Latin America, Chávez draws upon a common heritage of economic struggle, pan-American sentiment, and the widespread perception that dependency on the United States and Europe is a cause of economic backwardness in order to rally support. See Lapper, pg. 16.

<sup>184</sup> Interestingly enough in relation to today's re-nationalization of Venezuela's oil industry the same was nationalized in 1976. As a consequence this buyback is not without precedent. Chavez's oil policy and Venezuela's approach to nationalization appear to be significantly less stringent than that of many other oil producers. See, *Political Affairs Magazine*, "Oil and Nationalization in Venezuela," (June 23, 2007), accessed July 30, 2008, <http://www.politicalaffairs.net/article/articleview/5465>.

<sup>185</sup> Amiel, 2006.



threat of re-nationalization was utilized as a negotiating tactic by the Chávez government.<sup>186</sup> However, this approach has now shifted to outright expropriation.

A lingering question is how long will oil prices stay low, thereby limiting Chávez's ambition, who along with fellow Organization of Oil Producing Countries (OPEC) member Iran, is seeking to exploit oil revenues for geopolitical purposes.

Nariman Behravesch of Global Insight foresaw the global growth slow down as a result of high oil and gasoline prices, as well as realized that the longer these prices remain high the greater likelihood for a sharp adjustment in both supply and demand increases.<sup>187</sup>

While Behravesch expected an adjustment in supply and demand could eventually bring prices back down in five to ten years, the financial crisis and global recession of 2009 has accelerated that timeline.<sup>188</sup> Indications are now that demand will eventually rebound, but at what level? Uncertainty impacts both producers and consumers alike, but leaves Chávez vulnerable because of his unwillingness to invest in critical oil exploration and processing infrastructure which should have been undertaken when oil prices were relatively high. Such investment could have allowed Chávez's government to divert trade away from dependence on the United States.

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<sup>186</sup> Ibid. Amiel's findings mesh with the position held by the Law Firm of Lapadula – Esteban – Cadenas as highlighted in its Venezuela Country briefing of July 2008.

<sup>187</sup> Behravesch, Nariman, "The World Economic Outlook: A Mild Slowdown or Something More Problematic," presentation given at the Global Insight World Economic outlook Conference, (October 25-26, 2006), Washington, DC.

<sup>188</sup> Ibid.

## **Interpreting the Hugo Chávez Government Threat: Conclusions and Consequences**

Is the U.S. Congress responding differently to the challenge posed by a post-Cold War Latin American revolutionary such as Venezuela's Hugo Chávez than it would have in the preceding period? Today both the executive and legislative branches of the U.S. government have tended to adopt more measured foreign policy responses to challenges posed by Chávez than would have been expected during the Cold War. Both the White House and Congress are less swayed by ideology today than in the past.

The U.S.-Nicaragua bilateral relationship during the Cold War was driven by polarized ideology and fear of Soviet inroads being made on the Central American mainland. Despite the fact that such concerns in hindsight were largely overblown, the United States government repressed the Sandinista regime. Today both the White House and Congress concur that the threat posed by the Chávez government does not represent a significant threat to the vital interests of the United States.

Therefore for Congress Chávez poses a limited but nonetheless manageable threat to U.S. interests. Senator Chuck Hagel (R-Nebraska, 1997-2009) indicated as much during the October 21, 2003, Hearing of the Senate Foreign Relations Committee – Subcommittee on International Economic Policy, Export and Trade Promotion when he stated that America needs a comprehensive energy policy that recognizes the realities of our interconnected world, and the links between political stability and energy security.<sup>189</sup> Hagel, speaking in the wake of the 2003 Venezuelan oil sector strike that disrupted crude

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<sup>189</sup> See, Hagel, Chuck, in "United States Senate, Foreign Relations Committee – Subcommittee on International Economic Policy, Export and Trade Promotion, "U.S. Energy Security: West Africa and Latin America." Washington, D.C. (October 21, 2003), accessed May 25, 2009, <http://frwebgate5.access.gpo.gov/cgi-bin/TEXTgate.cgi?WAISdocID=240678516268+1+1+0&WAIAction=retrieve>.

shipments to the United States, indicates that political instability and corruption in Latin American countries such as Venezuela if unaddressed will only stymie long-term development (both economic and political).

Referring to post-Cold War congressional foreign policy concerns, Hagel elaborates that rule of law and reform must accompany energy development efforts in order to attract investment, as well as ensure prosperity and promote peace. In contrast to what could reasonably be expected by ideologically driven Congress during the height of the Cold War, Hagel's comments do not call for the (armed) suppression of the Chávez government in order to force it to become a responsible regional actor. Rather Hagel argues that U.S. energy interests are better assured by diversifying U.S. energy suppliers.

Hagel's comments, and those of Senator Norm Coleman, much like Blasier's own comments regarding Soviet involvement in Guatemala and Bolivia during the Cold War, recognize that there is no extra-hemispheric power providing meaningful assistance to Chávez's revolutionary government (*Proposition 13*). Suppression of the Chávez government under today's prevailing circumstances would be dysfunctional in Blasier's terms.

The inexistence of an extra-hemispheric, anti-American rival of the United States acting as a patron for Chávez negates the need to seek to suppress the Chávez government (*Proposition 15*, not applicable). Furthermore, Chávez's vulnerability to petroleum production disruptions such as the 2003 oil sector strike or the collapse of crude prices in late 2008, highlight the fact that his government is much vulnerable than the United States.

Chávez's vulnerability, exacerbated by almost complete reliance on the United States as an export destination for Venezuela's largest export commodity, weakens the appeal of his revolutionary model and undermines the possibility of wresting hemispheric political primacy away from the United States. Under these circumstances according to Blasier's theoretical precepts, the United States has no need to seek the suppression of the Chávez government (*Proposition 11*, not applicable).

Theatrics aside, by engaging in a reckless attempt to assume a geopolitical role that despite Venezuela's natural endowments exceeds his country's human and material capabilities, Hugo Chávez is ultimately only a threat to his own government and the Venezuelan people. Chávez's political survival is dependent on continued access to the U.S. energy market. The United States, though dependent on Venezuelan crude oil shipments for roughly 11 percent of its daily petroleum needs, is not as exposed as Venezuela which depends on the U.S. energy market to absorb nearly 70 percent of its daily exports of crude oil.

Furthermore, the absence of a hostile extra-hemispheric state willing to underwrite Chávez's socio-political and economic revolutionary agenda and ambitions for the Latin American region is in sharp contrast from the prevailing situation during the Cold War. Although Congress ultimately saw Nicaragua's Sandinistas as merely being a nuisance to U.S. security interests, the Sandinistas did nonetheless count on the tacit support if not backing of the Soviet Union and its interventionist foreign policy measures for the region.

Today neither the Russian Federation nor the People's Republic of China are able or willing to dispute the United States' continued leadership and overwhelming political-

military and economic preponderance in the Americas. Though red flags may be raised about Iran it lacks the global reach capable of threatening the United States. Iran also does not possess the means to provide Chávez with the support needed to move or cajole the Latin American states away from the U.S. orbit.

Congress, in light of current circumstances, is hard pressed to qualify the Chávez government as a threat to the vital interests of the United States. Any such attempt would fall within Blasier's parameters of a dysfunctional (*Proposition 14*) policy response. In this sense both the preceding Bush administration, and today's 111<sup>th</sup> Congress see Chávez largely as a threat to non-vital economic security interests. For example, House Resolution 560 (introduced July 19, 2007 and co-sponsored by 41 members of the House) expresses outrage over the Chávez government's actions towards energy companies operating in Venezuela, but leaves it at that and refrains from calling for intervention.<sup>190</sup> While Chávez may appeal to some Latin American states, his revolutionary model's appeal is not great enough for the vast majority of the Latin states to shift their support away from the United States for regional political leadership.

With the absence of a threat to continued U.S. hemispheric leadership, there is no need to dedicate scarce military and or other resources as was the case during the Nicaraguan Contra War to overthrow the Chávez government (*Proposition 15*, not applicable). Also while there is American public interest in the state of Venezuelan democracy and the Chávez government's impact on human rights, as evidenced by congressional concerns, it is not sufficient enough to warrant the same sort of knee jerk

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<sup>190</sup> See, Barton, Joe, in "United States House of Representatives – House Resolution 560 Regarding the Recent Actions of Hugo Chávez and the Government of Venezuela." Washington, D.C. (July 19, 2007), accessed May 25, 2009, [http://thomas.loc.gov/cgi-bin/bdquery/D?d110:4:/temp/~bd73Xh:\(a/@/a D&summ2=m&](http://thomas.loc.gov/cgi-bin/bdquery/D?d110:4:/temp/~bd73Xh:(a/@/a D&summ2=m&).

rejection that characterized the Cold War period's fear of the spread of communism. Democracy, albeit under siege, is still alive in Venezuela and its resilience was demonstrated by the Venezuelan electorate's willingness to freely vote down Chávez's December 2007 attempt to transform the country into a socialist republic (*Proposition 16*, not applicable) and again in November 2008.

By adopting a more conciliatory foreign policy towards Venezuela, one that avoids falling prey to Chávez's inflammatory rhetoric, the United States government has contributed to de-radicalize and check the momentum of revolutionary change in Venezuela and by extension the rest of Latin America. Evidenced for this resides in the enduring political resilience of the country's opposition movement despite its internal divisions. Also the Chávez government has failed to establish single party rule, which occurred with Castorite Cuba, despite having subjugated the military to his sole control (*Proposition 20*).

Both the executive and legislative branches of the U.S. government continue to follow a pragmatic foreign policy of wait-and-see when dealing with the Chávez government. U.S. foreign policymakers are not overestimating Chávez's capabilities to threaten United States' vital interests in the Latin American region, nor are they mortgaging the farm by pursuing ultimatums with Caracas – either reform or be overthrown. The foreign policy of the President and the policy recommendations of Congress, if not necessarily completely conciliatory, are far from being suppressive.

Congress's flexibility in policy formulation is the result of the recognition that the Chávez government does not pose a grave strategic threat to the United States, nor is it allied with an extra-hemispheric, anti-American power posing a vital security threat to

U.S. interests. The presence of either, or both, of these factors would otherwise incite calls from the American electorate for suppression of the Chávez government much as was the case during the Cold War when Soviet attempts at incursion in the Americas (e.g., Cuba) was widely seen as constituting a threat to the vital security interests of the United States.

## CHAPTER 6 - CONCLUSIONS

“To lead, a great nation must command the respect of others. America has been respected in the past as a powerful nation, a purposeful nation, and generous and warm-hearted nation... The world still looks to the United States for leadership. American leadership is wanting, but is still wanted. Our friends around the world do not want the United States to retreat. They want once again to be allied with the nation whose values, leadership, and strength have inspired the world for the last century. To reclaim our proper place in the world, the United States must be stronger, and our policies must be smarter.”

U.S. Senator Hillary Rodman Clinton<sup>1</sup>

### ASSESSING THE UNITED STATES CONGRESS’S REACTION TO VENEZUELA’S HUGO CHÁVEZ

#### The Study’s Central Research Question

My study explores how the United States (U.S.) Congress takes an active role in U.S. foreign policymaking when dealing with revolutionary change in post-Cold War Latin America. As a qualitative study of United States foreign policymaking, the central research question ponders whether the U.S. Congress is reacting differently to revolutionary change in post-Cold War Latin America than it did during the Cold War. If so, how is it reacting differently, and if not, why not?

To answer this central question, this study reviews how Congress engages in foreign policymaking throughout the twentieth century and into the twenty-first century. My study of foreign policymaking examines congressional reaction to revolutionary change in Latin America. The framework selected to tackle this central question was developed by Cole Blasier’s ground-breaking study which compared U.S. responses to

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<sup>1</sup> Hillary Clinton (D-New York, 2001-09) became U.S. Secretary of States in 2009. See, Rodman Clinton, Hillary, “Security and Opportunity for the 21<sup>st</sup> Century,” (October 16, 2007), in *Real Clear Politics*, accessed February 25, 2008), [http://www.realclearpolitics.com/articles/2007/10/security\\_and\\_opportunity\\_for\\_t.html](http://www.realclearpolitics.com/articles/2007/10/security_and_opportunity_for_t.html).



revolutionary change in the pre- and Cold War periods.<sup>2</sup> My dissertation attempts to test Blasier's framework through an evaluation of how the U.S. Congress — and the United States more generally— has responded to the self-described revolutionary reforms of Hugo Chávez in post-Cold War Venezuela.

Blasier's framework of analysis for assessing how the U.S. government has reacted to Latin American revolutionaries in the past and its subsequent dealings with these movements once in power remains a valid means for understanding how Congress deals with Hugo Chávez. Blasier's framework has withstood the test of time despite the collapse of the Soviet Union in 1991 and the end of the Cold War. Blasier's framework remains relevant because of the enduring, immutable nature of U.S. foreign policy objectives, national security and economic interests, and how these play off each other. Blasier's framework retains a certain degree of elegance that allows the foreign policy analyst to construct causal observations of that explain why the U.S. government, and Congress, reacts to Latin American revolutionary challenges in the way that it does

What has indeed changed as it pertains to the applicability of Blasier's framework in the post-Cold War is the condition under which certain propositions of the framework are likely to be applied within the current Latin American context. *Propositions 1 and 3* are highly unlikely at present since there is no Great Power rival of the United States backing Latin American revolutionary movements or governments. *Proposition 2*, however, with its emphasis on a hostile U.S. policy toward reformist/revolutionary governments that adversely impacts U.S. private interests cannot be ruled out given the

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<sup>2</sup> See, Blasier, Cole. *The Hovering Giant: U.S. Responses to Revolutionary Change in Latin America 1910-1985*. Pittsburgh, PA: University of Pittsburgh, 1985.

economic and political strength of the U.S. business sector and its paid lobbyists. In effect, *Proposition 2* and *Proposition 4*, which condition the likelihood of the United States adopting policies of conciliation or suppression based on a reformist/ revolutionary government's willingness to settle issues in dispute while foregoing linkages to hostile, anti-American Great Powers, are still largely applicable to current circumstances in Latin America.

Similarly, Blasier's bureaucratic and economic propositions remain a valid means for gauging how the executive and legislative branches will react to Latin American revolutionary challenges. For example, *Proposition 5* with its emphasis on the importance of economic considerations and private businesses remains a key determinant of U.S. policy. Also the bureaucratic propositions of Blasier's framework, *Propositions 6-12*, are not likely to be abandoned (excluding *Proposition 11*). The President and the Secretary of State will continue to oversee strategic decision-making at the highest levels (*Proposition 6*), while departmental officials (especially career civil servants) will remain the principal decision-makers in most responses perceived as strategically insignificant. U.S. private business interests and lobbyists will continue to influence members of Congress who will pressure executive branch offices to adopt policies that are in accordance or at least do not oppose these interests (*Proposition 8*). Likewise, *Propositions 9 and 10* will not change since the U.S. government is bureaucratic and as a result fosters intra- and inter-agency conflict that necessitates internal negotiations and compromises in order to formulate effective policies.

What has changed, and is reflected in the U.S. government's dealings with Chávez since 1998, is the likely obsolescence of Blasier's *Proposition 11*. The United

States does not need to engage in suppressive policies to retain hemispheric political primacy. Much as Blasier recommends in *Security and the United States Latin American Relations in the 1980s*, the United States has increasingly acknowledged that it is difficult to shape the outcome of leadership struggles in the region.<sup>3</sup> Attempts to do so are hampered at the senior political level by a combination of lack of knowledge, experience, and the necessary expertise to determine what is best for each of the Latin American countries.<sup>4</sup> Extrapolating from Blasier's work, this study finds that meddling in the internal affairs of the Latin American countries is counter-productive and endangers long-term U.S. interests, as well as incites harsh criticism from the region's states that define their sovereignty in terms of non-interference in their internal affairs.

This situation makes Blasier's *Proposition 12* highly relevant. United States policy responses are the result of security, economic, and bureaucratic considerations where the executive and legislative branches have major input. United States policies now aim to entice cooperation instead of suppressing non-cooperative regimes. As a consequence American hegemony has evolved from political-military dominance to political-economic partnership that still nonetheless ensures U.S. security.

Blasier's relevance to this day is based on the fact that his framework continues to provide the U.S. foreign policy analysts with a explanatory mechanism that is capable of answering "why" and "how" U.S. foreign policymaking questions. Blasier's framework

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<sup>3</sup> Blasier, Cole, "Security and the United States Latin American Relations in the 1980s: The Extra-Continental Dimension," in *Latin American Program Working Papers – The Wilson Center*, (1984), Number 149, pgs. 27-28.

<sup>4</sup> Ibid.

provides a means of analysis that explains causal relationships that explain U.S. foreign policymaking behavior.

### **The Study's Level of Analysis**

My study looks at the international environment as the primary level of analysis to explain the applicability of Blasier's framework of how the U.S. Congress is reacting to revolutionary change in post-Cold War Latin America. Much like Blasier's framework of analysis, my study aspires to be a cumulative work that builds upon previous research. Like many others, as a result I concur with the finding that no definitive answer exists that can state with authority which level of analysis is the most appropriate means for analyzing interstate relations.<sup>5</sup> As Srimi Sitaraman clarifies, it is difficult to pinpoint the exact origins of international cooperation, or for that matter non-cooperation.<sup>6</sup> Does cooperation "reside in the fundamental nature of human beings," or is international cooperation the result of the domestic socio-political structure that determines states' foreign policies?<sup>7</sup> Or do situations of cooperation and conflict arise as Robert Jervis indicates, as a result of the international environment determining a state's behavior?<sup>8</sup>

In response to the foregoing questions the present study applies Blasier's framework to the international (systemic) level to explain U.S. reactions to revolutionary challenges. At this level of analysis there is the understanding that states compete for

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<sup>5</sup> See, Sitaraman, Srimi, "Evolution of the Ozone Regime: Local, National and International Influences," in *The Environment, International Relations, and U.S. Foreign Policy*. Washington, DC: Georgetown University Press, Paul G Harris, editor, 2001, pg. 112.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Jervis, Robert. *Perception and Misperception in International Politics*. Princeton, NJ: Princeton University Press, 1976, pg. 18.

power and resources in a realm devoid of a supra-national entity that can enforce order. Much like Arnold Wolfers indicates in *“Discord and Collaboration,”* my study finds that key characteristics of state behavior even post-Cold War remain the pursuit of power and security.<sup>9</sup> These are vital concerns that transcend the President and the sitting Congress of the moment.

Yet my study also finds that due to the significant level of economic interdependence between the United States and Venezuela at a time when the United States is the sole superpower, a commingling of the domestic and international levels of analysis is possible. As a consequence, Congress’s reactions to post-Cold War revolutionary challenges can be explained by Blasier’s framework which recognizes in a number of its propositions the role that domestic factors play in formulating U.S. policy responses. Sitaraman cites Robert Putman in this regard, affirming that domestic politics and international relations are entangled.<sup>10</sup> It is this overlap of the domestic with the international environments that generates a situation that ensures that international transactions (deals) and interactions must receive support at the domestic level, especially from constituent interest-driven legislative bodies such as Congress.<sup>11</sup>

Branislav L. Slantchev similarly concludes in his review of Kenneth Waltz’s *Man, the State, and War*, that the three levels of analysis (human behavior, the internal structure of states, and international anarchy) are interlinked.<sup>12</sup> While international

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<sup>9</sup> See, Wolfers, Arnold. *“Discord and Collaboration: Essays in International Politics.”* Baltimore, MD: John Hopkins University Press, 1962.

<sup>10</sup> Sitaraman, pg. 113.

<sup>11</sup> Ibid.

anarchy describes the framework of world politics, without inclusion of the first two levels of analysis there cannot be effective comprehension of the forces that shape policymaking.<sup>13</sup> Ultimately Blasier's framework, with its emphasis on domestic and international factors, bridges the divide between the levels of analysis. My study thus focuses on the international level of analysis and incorporates aspects of human behavior and domestic structures to analyze how Congress reacts to revolutionary challenges.

### **The Study's Findings: Placing the Hugo Chávez Threat in Context**

My study finds that in the post-Cold War, Congress is not linking Chávez's reformist/revolutionary agenda with tacit backing from an extra-hemispheric rival of the United States. Unlike the case of the Cuban revolution (1959), which galvanized U.S. policymakers' perceptions of a link between Latin American revolutionaries and Soviet interventionism, there is no such link today between Venezuela and a foreign patron. As Jervis indicates in "Was the Cold War a Security Dilemma," the Cold War conflict was largely a product of a clash of social systems and ideology – the post-Cold War world in this sense is devoid of a existential struggle for ideological survival.<sup>14</sup>

The research conducted for this study has found that prior to the Cuban revolution U.S. foreign policymakers often favored a wait-and-see approach. This approach served Washington as a means of ascertaining how the revolutionary change would play itself

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<sup>12</sup> Slantchev, Branislav L. "Review: Kenneth Waltz's *Man, the State, and War*." 2001, accessed July 15, 2009, <http://www.gotterdammerung.org/books/reviews/m/man-the-state-and-war.html>.

<sup>13</sup> Ibid.

<sup>14</sup> Jervis, Robert. "Was the Cold War a Security Dilemma" in the *Journal of Cold War Studies*, Volume 3, Number 1 (Winter 2001), pgs., 36-60.

out, permitting U.S. foreign policymakers to focus resources on determining the implications of the revolutionary agenda on American interests. My study subsequently finds that once again Congress is increasingly likely to adopt a wait-and-see approach for dealing with Latin American revolutionary challenges. This is evidenced by strong congressional interest in human rights, promotion of democracy, and freedom of the press in its foreign policy formulations in the post-Cold War.

Blasier's framework effectively analyzed how the United States has formulated foreign policy in light of revolutionary challenges throughout the Cold War. During this timeframe Latin American revolutionaries viewed the United States as an enemy (especially after 1961) from the onset of their campaigns to topple their countries' (traditional-conservative) pro-U.S. governing political elite.

With the triumph of Fidel Castro's revolution in 1959 and the subsequent deterioration of relations between Washington and Havana by 1961, the previous period's wait-and-see approach for dealing with revolutionary challenges fell by the wayside. As a result the study finds that Latin American revolutionaries since then have no longer sought to assure either the U.S. Department of State or the American public that their revolutionary objectives were not anti-American. Rather, Latin American revolutionaries have now for fifty years consistently and openly identified the U.S. government and American interests it represents as an enemy of their revolutionary agendas.

What my study finds, and where it adds value to the original Blasier framework, is that although the United States continues to be viewed with distrust by Latin American revolutionaries, the United States itself is no longer as obsessive as it was at the height of the Cold War in seeking to stomp out every leftist insurgency. Congress, as well as U.S.

foreign policymakers, with the collapse of the Soviet Union is taking a more subtle approach to dealing with Latin American revolutionaries. Blasier's framework not only serves as a roadmap for how Congress decides whether a revolutionary movement represents a threat, but more importantly serves as a factual means of judging what can and cannot be realistically done to contend with revolutionary challenges. This ultimately is the hallmark of a prudent, pragmatic, and objective policy and knowledge.

Congress is no longer dealing with Latin American revolutionary movements by supporting Cold War administrations' policies calling for the suppression of Latin American (reformist/revolutionary) governments if they were interpreted as moving towards becoming communist, were quasi-communist, or had already become communist states. What is even more telling about Congress's post-Cold War change of course is that it has put aside Cold War notions that any anti-American government is an ideological and imminent threat to the vital interests of the United States.

One of the key premises of this study is that a visible and serious external threat to U.S. hegemony in the region is absent in the post-Cold War period. As a consequence since Hugo Chávez came to power in 1998 —unlike the situation for U.S. governments during the Cold War— Congress has not had to contend with the threat from an extra-hemispheric power as a serious factor. The demise of the Soviet Union in the early 1990s not only eliminated an external threat to U.S. interests in the Western Hemisphere, it also made the United States the only real global power.



**Table N° 22 – Summary of Blasier’s Propositions for United States Government’s (USG) Action Grouped by Case Studies**  
(Foreign Government Actions/ USG Responses)

<b>Proposition 1</b>	<b>– Nicaragua – Zelaya Govt. Reform/ Rev. (Pre-WW I)</b>	<b>– Nicaragua – FSLN Rebels (Cold War)</b>	<b>– Nicaragua – FSLN Govt. Reform/ Rev. (Cold War)</b>	<b>– Venezuela – Chávez Govt. Reform/ Rev. (Post Cold War)</b>
USG will respond flexibly to rebel movements (stage 1) whenever the United States does not associate these rebel movements with a Great Power rival. USG will be hostile toward rebel movements when these are perceived to be associated with rival Great Powers.	N/A	FSLN seeks support from the Soviets and Cuba	N/A	N/A
	N/A	USG response: Hostile	N/A	N/A
<b>Proposition 2</b>				
USG will be hostile toward most reformist governments (stage 2) primarily because of the adverse impacts these have on U.S. private interests.	Reforms are linked to adverse impacts on U.S. private interests	N/A	Reforms are linked to adverse impacts on U.S. private interests	Reforms impact U.S. private interests, but compensation is negotiated
	USG response: Hostile	N/A	USG response: Hostile	USG response: Conciliatory

Obs: N/A stands for “not applicable.” WW stands for “World War.”  
Source: Blasier, 1985, pg. 236.

The disappearance of the Soviet threat is clearly an important factor tempering congressional reaction to Latin American revolutionary changes in the post-Cold War period compared to previous eras (Table 22). Both Tables 22 and 23 (following page) highlight the fact that absent the existential threat posed by the Soviet Union, or for that matter of any extra-hemispheric rival power of the United States, the response of the United States in general and Congress in particular will tend to be more conciliatory than suppressive.

**Table N° 23 – Summary of Blasier’s Propositions for United States Government’s (USG) Action Grouped by Case Studies**  
(Foreign Government Actions/ USG Responses)

<b>Proposition 3</b>	<b>– Nicaragua – Zelaya Govt. Reform/ Rev. (Pre-WW I)</b>	<b>– Nicaragua – FSLN Rebels (Cold War)</b>	<b>– Nicaragua – FSLN Govt. Reform/ Rev. (Cold War)</b>	<b>– Venezuela – Chávez Gov. Reform/ Rev. (Post Cold War)</b>
USG responds to revolutionary governments (stage 3) in accordance to their links to the U.S.’s strongest Great Power rival (Germany until 1945 and the Soviet Union 1947-91) and its impact on U.S. national security interests. Strategic considerations shape whether response is conciliatory or suppressive.	Zelaya’s outreach to Germany is a strategic threat	N/A	Reagan determines that FSLN links to the Soviets and Cuba are a threat	Links to Cuba, Russia, and Iran are minor, non-vital threats
	USG response: Suppressive	N/A	USG response: Suppressive	USG response: Conciliatory
<b>Proposition 4</b>				
USG leaders opt for a conciliatory response if they determine that the revolutionary government will negotiate a settlement of issues in conflict and that an agreement precludes further interference of a hostile Great Power. USG leaders opt for suppression when they determine that the revolutionary government will not negotiate an agreement and avoids an agreement when it is deemed the best means of preventing or countering the interference of a hostile Great Power.	No action short of capitulation will appease USG	N/A	Reagan determines that the FSLN is not trustworthy	Dependent for the mid-term on the U.S. market, oil shipments continue
	USG response: Conciliation not possible	N/A	USG response: Conciliation not possible. FSLN is undermined to counter Soviets	USG response: Conciliatory

Obs: N/A stands for “not applicable.” WW stands for “World War.”  
Source: Blasier, 1985, pg. 236.

### **The Enduring Validity of Blasier’s Framework**

One of the principal theoretical and methodological concerns of this study was to test whether Blasier’s Cold War era framework is useful in evaluating U.S. responses to contemporary changes in Latin America. Congressional foreign policymaking, much like

that of the executive branch, is based on a process that combines common sense as well as the input from lobbying groups that favor or reject certain aspects of U.S. policies. As a result, Leslie H. Gelb indicates that most foreign policy professionals formulate a policy in order to attempt to “find out what is occurring in other countries; figure out the problems and opportunities, the likely interplay of power, and what can and cannot be accomplished.”<sup>15</sup>

Members of Congress and their staff are attempting to decipher Chávez’s objectives and capabilities by holding hearings in order to formulate policy. These hearings are often led by members of Congress who sponsor resolutions and enact legislation aimed at enticing or punishing foreign states such as Venezuela. For Gelb, the problem that exists with U.S. foreign policymaking is that it can quickly be hijacked by “extravagant principles, nasty politics, and the arrogance of power.”<sup>16</sup> My study finds that these pitfalls are a result of the fact that in the U.S. political system Congress is a powerful, independent legislative body driven by constituent demands arising from both individual citizens and interest groups. Ultimately the willingness and capability of addressing constituents’ demands will impact a congressional representative’s likelihood of being reelected.

Congress is driven by the need to score political points. To do so, Congress holds hearings, enacts resolutions, and passes legislation. Congressional action however does not occur in a vacuum, it is often the result of intense lobbying efforts by groups that

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<sup>15</sup> Gelb, Leslie H., “Necessity, Choice, and Common Sense: A Policy for a Bewildering World,” in *Foreign Affairs*, (May/ June 2009), Volume 88, Number 3, pgs. 56-57.

<sup>16</sup> *Ibid.*

favor or reject specific aspects of U.S. foreign policies.<sup>17</sup> For example, the intricate nature of the U.S. political process is highlighted by the situation that can arise when the House of Representatives takes action (e.g., passes a bill) that is objectionable to the foreign policy course set by the sitting administration. The White House will rebuke the language and support counteracting language in a follow-up Senate bill. Although the Senate bill will likely be the product of intense negotiations between the Senate's key committee members and the White House, "it can become very hard for the executive [branch]" to successfully pushback on an issue once "a faction in Congress takes a position under pressure from lobbyists."<sup>18</sup> Such a situation is further aggravated when one party controls the White House and the other controls one or both of the two Houses of Congress.

Blasier finds that Congress's interpretation of the concept of security impacts U.S. foreign policymaking. However, the concept of security, according to Blasier, "has many meanings, misuses, and controversial associations."<sup>19</sup> Blasier makes the point that security is often utilized as a "catch-all" for a variety of foreign policy problems.<sup>20</sup>

Blasier's position on this matter voices a concern with the possibility of the American public (including lobbyists representing U.S. business interests) and Congress

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<sup>17</sup> For example, on foreign trade matters lobbyists (including law firms and trade associations) and private industry (individual corporations) will approach the U.S. Trade Representative's Office and threaten to go to Capitol Hill to raise complaints about a country to members of Congress who sit on key committees that oversee a foreign country's impact on U.S. interests (public and private sector). This tactic prods the executive branch to work with the private sector and deescalate tensions by addressing its concerns and aligning U.S. foreign policy objectives to its concerns. Trade is a variable in overall foreign policy calculations since it forms part of a nation's economic security.

<sup>18</sup> Newhouse argues that lobbyists are increasingly influential as a consequence of the expanding complexity of the U.S. government. For Newhouse, "only insiders such as former members of Congress or congressional staff members turned lobbyists can navigate its confusing structure." See, Newhouse, John, "Diplomacy, Inc.," in *Foreign Affairs*, (May/ June 2009), Volume 88, Number 3, pg. 74.

<sup>19</sup> Blasier, pg. 1.

<sup>20</sup> *Ibid.*

linking security with military security. Military security, for Blasier, refers specifically to the protection of the national territory and the nation's population from external threats by the armed forces of another nation.<sup>21</sup> Blasier clarifies that ensuring security also includes protecting the nation from external threats through non-military means such as treaties of friendship, trade agreements, and multi-lateral treaties.<sup>22</sup> As a result of linking security with military security during the Cold War, congressional appropriations were often justified and defended on "catch-all" security grounds to protect the United States from the Soviet Union and the spread of international communism.<sup>23</sup>

Blasier, by breaking down the concept of security into its component parts (e.g., political, economic, and military), effectively explains U.S. behavior toward Latin America during the Cold War. Blasier's framework, his interpretation of U.S. actions in Latin America throughout much of the twentieth century in response to revolutionary change, and his recommendations remain a relevant guide for assessing how Congress may react to post-Cold War Latin American revolutionary challenges.

Based on Blasier's framework, this study finds that Chávez's nationalization of U.S. business interests in Venezuela and the threat to cut off oil shipments to the United States is merely a short- to medium-term threat to U.S. economic interests. For Blasier, official U.S. perceptions during the Cold War were clouded by U.S. domestic politics that long feared the expansion of international communism.<sup>24</sup> My study finds that with the

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<sup>21</sup> Ibid, pgs. 1-2.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid. pg. 2.

absence of the Soviet Union, there is at present neither an explicit nor a potential military security threat to the United States emanating from Venezuela or any other Latin American state (including Cuba). Although the present situation is characterized by the absence of a threat posed by an interventionist and hostile extra-hemispheric power, Blasier's framework remains valid for interpreting how Congress is reacting to Chávez's challenge to continued U.S. economic and political hegemony in Latin America.

Free of this external threat during the post-Cold War, both Congress and the White House have over the long-term (10 years plus) shown an official public unwillingness to support continued American hegemony by suppressing Chávez's revolutionary reforms in a Cold War era manner (i.e., support for counter-revolutionary forces). Rather the present study finds that both branches of the U.S. government evidence a strong proclivity to follow Blasier's two pragmatic foreign policy recommendations: 1) adopt a country specific approach and; 2) look at U.S. interests in Latin America from a wider, long-term perspective.<sup>25</sup> This proclivity is proven by the number and type of congressional hearings and State Department statements on Venezuela.

Despite the fact that there are at times differences of opinion within Congress and between Congress and the White House based on political partisanship, there is no conclusive proof that today the United States is following Cold War-style suppressive policies aimed at Venezuela. Congressional and White House support of the democracy enhancing activities of the National Endowment for Democracy (NED) in Venezuela,

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<sup>25</sup> Ibid, pg. 26.

despite what Chávez asserts, does not constitute an attempt to suppress his government on par with the actions undertaken by the United States towards Cuba's Castro regime (1959-present) and Nicaragua's Sandinista government (1979-90) during the Cold War. Rather, this dissertation finds that the United States has repeatedly stated over the years that Chávez is a democratically elected head of state. As such Chávez may put forward ideas that the United States disagrees with, yet ultimately it remains up to the Venezuelan people to decide which form of governance best suits their needs.<sup>26</sup>

U.S. foreign policy during the post-Cold War, especially as it relates to Chávez, is semi-realist. It is characterized by a strong measure of pragmatic idealism where promoting democracy is actively pursued, especially when it is consistent with the hard interests of the United States.<sup>27</sup> The William Jefferson "Bill" Clinton administration (D, 1993-2001) made promoting democracy a cornerstone of U.S. foreign policy despite the declining capability of the United States to influence developments in Latin America at a time of rising tensions in other regions (e.g., the Balkans and the Caucasus).<sup>28</sup> Clinton not

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<sup>26</sup> Casey further clarified that "Chávez is free to speak his mind and he certainly has shown no hesitancy to do so. But again, our focus is not worrying about him or his comments." The United States' focus is working with "its partners in the hemisphere to do the kinds of things that are generally agreed by all members of the OAS that we want to see happen." See comments attributed to Casey, Tom, "U.S. Department of State Daily Press Briefing," (January 19, 2007), accessed October 11, 2007, <http://www.state.gov/r/pa/prs/dpb/2007/79056.htm>.

<sup>27</sup> See, Carothers, Thomas, "Examining the Clinton Record on Democracy Promotion." Symposium held in Washington, DC (September 12, 2000), accessed July 3, 2009, <http://www.carnegieendowment.org/events/index.cfm?fa=eventDetail&id=197&&proj=zdr1>.

<sup>28</sup> John Sweeney of the Heritage Foundation points to the Second Summit of the Americas in Santiago, Chile, on April 18-19, 1998, as showcasing the degree to which the United States had lost influence in Latin America during the Clinton administration. A key contributing factor then was the inability of the Clinton administration to obtain fast track authority from Congress to formally negotiate the creation of the Free Trade Area of the Americas by 2005. Latin American leaders came to see the administration's failure to obtain this authority as indicative of the decreased importance of the region in the post-Cold War. Sweeney finds that with trade expansion off the Clinton administration foreign policy agenda, other U.S.-Latin America non-trade points of contention (e.g., U.S. policy toward Cuba, immigration, the war on

only institutionalized promoting democracy in U.S. foreign policymaking bureaucracy by expanding the number of staff positions dealing with the issue, but also spoke about it at length in international forums such as the Community of Democracies meetings.<sup>29</sup>

Thomas Carothers of the Carnegie Endowment for International Peace sustains that the Clinton administration continued the basic foreign policy framework of the previous George H.W. Bush administration (R, 1989-93). However the effectiveness of these Clinton era policies were ultimately hamstrung by a Republican controlled Congress that reduced the international affairs budget.<sup>30</sup> For Carothers, the 1994 Republican takeover of Congress contributed to the diffusion of the democratic norm by failing in part to pay United Nations dues, as well as by dragging its feet on ratifying international treaties and agreements.<sup>31</sup>

Nonetheless both the Clinton and George W. Bush (R, 2001-09) administrations benefitted from the fact that the world has become more democratic in the post-Cold War era. Internal U.S. foreign policymaking conflicts on whether to prioritize hard (e.g., strategic economic and political) interests over democracy promotion have become less frequent given the absence of competition from the Soviet Union. The Clinton administration as a consequence adopted a strategic and consistent vision on fostering democracy based on the September 21, 1993, Anthony Lake speech that proposed: 1) to

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drugs, and the annual drug certification process) came into sharper focus. See, Sweeney, John, "Clinton's Latin America Policy: A Legacy of Missed Opportunities." Washington, DC: The Heritage Foundation. Backgrounder Number 1201 (July 6, 1998), accessed, July 3, 2009, <http://www.heritage.org/research/latinamerica/bg1201.cfm>.

<sup>29</sup> Carothers.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.



advance the community of developed democracies; 2) support democratic transitions; 3) isolate and try to liberalize authoritarian states; and 4) approach conflict and post-conflict scenarios with an eye to fostering democracy.<sup>32</sup>

Over the years both the Clinton and Bush administrations have sought to extract a strong ideological commitment to representative democracy and neo-liberalism from its Latin American partners. United States development assistance, cooperation, and support for Latin American partners' international foreign policy objectives have been used by Washington to entice and reward adherence to the Washington consensus. Non-compliance has resulted in conditional assistance and sanctions.

David Young indicates that U.S. foreign policy is best characterized as being a fusion of realism and morality, wherein other interests may at time trump democracy promotion. Young elaborates that in the difficult world of foreign policy, a semi-realist or pragmatic idealist approach is sometimes the best option. Young's comments are compatible with Blasier's framework which echoes many of the key issues raised by Hans J. Morgenthau in *Politics among Nations: The Struggle for Power and Peace*.<sup>33</sup> Blasier, much like Morgenthau, recognizes the need to collect and interpret the political acts carried out by a foreign state and its leadership. Blasier's framework in this sense provides a rational means for assessing the consequences of Latin American revolutionary challenges.

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<sup>32</sup> Young, David, "Examining the Clinton Record on Democracy Promotion." Symposium held in Washington, DC (September 12, 2000), accessed July 3, 2009, <http://www.carnegieendowment.org/events/index.cfm?fa=eventDetail&id=197&&proj=zdr1>. Also see, Lake, Anthony. "From Containment to Enlargement." Speech given at John Hopkins University – School of Advanced International Studies (September 21, 1993), accessed July 3, 2009, <http://www.mtholyoke.edu/acad/intrel/lakedoc.html>.

<sup>33</sup> See, Morgenthau, Hans J. *Politics Among Nations: The Struggle for Power and Peace – Six Principles of Political Realism*. New York, NY: Alfred A. Knopf Publisher, 1978, pgs. 4-5.

Specifically in the Venezuelan case, Chávez's actions are clearly defined in terms of perceived and actual power (capabilities) by both himself and the United States. Chávez recognizes that he is critically dependent in economic and political terms on continued access to the U.S. energy market. Despite recognition of this reality, Chávez does desire to contest U.S. regional leadership but recognizes that he can only go so far before jeopardizing access to the U.S. energy market. Notwithstanding his threats to use oil exports as a weapon (e.g., threatening to cut off oil shipments to the United States), the absence of the Soviet Union and the United States' increasingly diversified sources for petroleum limit the threat potential posed by Chávez. As a result Chávez remains, despite the rhetoric, a reliable wartime provider of petroleum to the United States.

Both Congress and the White House can be said to be reacting to Chávez's anti-American policies (e.g., nationalizations and outreach to extra-hemispheric powers) in a manner consistent with Blasier's *Propositions 3 (partially), 4, 7, 8, 10, and 12*. The absence of the Soviet Union has allowed the United States, if not to seek to repress the Chávez government (*Proposition 3*), to at least deal with it to keep oil flowing. Even the nationalizations of U.S. business interests, although troubling, has not been serious enough to warrant suppression of the Chávez government since it has offered to engage and make timely and fair compensation for the value of expropriated properties (*Proposition 4*). Today economic factors largely prevail over strategic political and military security concerns when dealing with Chávez. As a result, principal decision makers are departmental officials in most cases (*Propositions 7 and 8*). Due to the importance of private business interests and industry's access to Congress through

lobbyists, these interests often prevail over bureaucratic considerations and are incorporated into the internal bargaining process (*Proposition 10 and 12*).

### **Summary of the Study's Conclusions**

The principal conclusion of my dissertation is that Chávez and his so-called Bolivarian Revolution are not a threat to the vital (military security) interests of the United States. Vital interests in this sense are defined as those interests that constitute such a grave threat to the United States' continued survival as a nation-state that it is willing to go to war to defend them. My conclusion is the result of a thorough methodology that: 1) analyzed data and reviewed the literature; 2) observed U.S.-Venezuelan interactions; 3) analyzed trade flows and congressional interactions with the executive branch, and; 4) collected and analyzed expert opinions. From a methodological point of view, my study has shown that Blasier's framework continues to offer a valid approach for analyzing how Congress and the White House react to revolutionary changes in Latin America.

### **Conclusion Number 1**

This study finds that in the post-Cold War environment, with the absence of a real external threat equal to that of the Soviet Union during the Cold War, Venezuela's Bolivarian Revolution is mainly a nuisance that does not threaten U.S. vital interests. The study notes that the post-Cold War is characterized by the absence of an interventionist, extra-hemispheric power with the political-military and economic capabilities which once typified the Soviet Union's ability to threaten the security of the United States. Chávez's

populist rhetoric and attempts to form alliances with extra-hemispheric powers (e.g., the Russian Federation and the Islamic Republic of Iran), though alarming do not at present constitute a grave enough military security threat to justify intervention at a time when the United States is already fighting two wars simultaneously in Iraq and Afghanistan.

The present economic security threat (e.g., the threat to cut off oil shipments as well as diversify Venezuela's export partners) posed by Chávez to the United States falls far short of the military security threat that the Cuban regime's collaboration with the Soviet Union represented during the 1962 Missile Crisis. According to Blasier, in 1962 the Soviet-Cuban military security threat to the United States was explicit since nuclear tipped missiles were stationed in Cuba targeting the United States.<sup>34</sup> Even the U.S. interventions in Guatemala (1954) and the Dominican Republic (1965) cannot be utilized for justifying a present-day intervention in Bolivarian Venezuela since in both of these cases U.S. concerns of a Soviet military security threat were unfounded.<sup>35</sup> In both Guatemala and the Dominican Republic, the revolutionary elite were largely middle class reformers that sought to implement a nationalistic, anti-imperialistic foreign policy instead of blindly acquiescing to U.S. foreign policy demands.<sup>36</sup>

My study also highlights that the February 27, 2008, Hearing of the United States Senate Committee on Armed Services, "Current and Future Worldwide Threats to the National Security of the United States," where John M. McConnell, Director of National

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<sup>34</sup> Blasier, pgs. 2 and 4.

<sup>35</sup> Ibid.

<sup>36</sup> Blasier indicates that neither Guatemala nor Dominican revolutionary movements had any significant contacts with the Soviet government. Local communists did not play a significant role in either revolutionary movement. See, Blasier, pgs. 8 and 10.

Intelligence (2007-09) stated to the Committee that although Chávez has deepened relations with Iran, Venezuela's and Iran's most significant progress has been limited to economic and energy fronts, indicates the non-military security threat posed by Chávez. While Venezuela and Iran have held discussions on nuclear energy, McConnell commented to Congress that the United States is unaware of any significant developments as a result of these discussions despite growing military cooperation.<sup>37</sup>

## **Conclusion Number 2**

My study finds that the present poor state of U.S.-Venezuelan relations does not merit a repetition of the Ronald W. Reagan administration's (R, 1981-89) covert attempt to overthrow Nicaragua's Sandinista government during the Nicaraguan Contra War (1981-88). In this sense Blasier is critical of the Reagan administration's "hostile and threatening stand toward Nicaragua," whereby its sponsorship of economic sanctions and covert paramilitary activity provided no incentive for the Sandinistas to cooperate with the United States.<sup>38</sup> Rather, the Reagan administration's policies motivated the Sandinistas to seek Soviet economic, military, and diplomatic assistance.<sup>39</sup>

Based on Blasier's framework, this study concludes that the Sandinistas' ties to the Soviet Union never evolved to the point that they could constitute a military security threat to the United States. At best these ties were a political security threat to the United

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<sup>37</sup> See, McConnell, John M., testimony in Hearing of the United States Senate, Committee in Armed Services, "Current and Future Worldwide Threats to the National Security of the United States." Washington, D.C., (February 27, 2008), accessed May 25, 2009, pg. 28, [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110\\_senate\\_hearings&docid=f:45665.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110_senate_hearings&docid=f:45665.pdf).

<sup>38</sup> Blasier, pg. 24.

<sup>39</sup> Ibid.

States since they conceivably could contribute to undermining U.S. influence and preeminence in Latin America.<sup>40</sup> The Soviet Union, although opportunistic, could financially ill afford to bankroll a second Cuba and even went so far as to avoid direct involvement by funneling major military hardware through its Cuban proxy.<sup>41</sup>

For Blasier, the Nicaraguan case is an example of a “sterile and dangerous” policy that led to an impasse.<sup>42</sup> Blasier believes that a worthwhile alternative policy the Reagan administration could have followed would have been to utilize Mexico and France, states friendly to both the United States and Nicaragua, to convey assurances that Washington would not sponsor armed attacks if the Sandinistas retained close ties with the United States.

The present study compares these findings with how Congress and the White House, despite serious misgivings about Chávez’s revolutionary reforms, continue to follow a wait-and-see policy of accommodation in order to avoid an impasse. As a result, there is no tangible proof that Washington has sought to: 1) mount paramilitary operations similar to the one that overthrew the Jacobo Árbenz government (Guatemala) in 1954 and failed to overthrow the Fidel Castro regime (Cuba) in 1961; 2) destabilize Chávez’s government through economic sanctions and covert (Central Intelligence Agency) political operations in a manner similar to those that facilitated the overthrow of the Salvador Allende government (Chile) in 1973; 3) impose economic sanctions and sponsor paramilitary attempts to overthrow the Chávez government in a manner

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<sup>40</sup> Blasier, pg. 14.

<sup>41</sup> Ibid, pg. 19.

<sup>42</sup> Ibid, pg. 26.

reminiscent of policies of suppression levied against Sandinista Nicaragua during the 1980s, and; 4) has not sought to intervene and occupy (militarily) Venezuela as it did in the case of the Dominican Republic in 1965.

### **Conclusion Number 3**

Even Chávez's involvement with Colombia's *Fuerzas Armadas Revolucionarias de Colombia* (FARC) insurgency does not constitute a military security threat to the vital interests of the United States sufficient to merit a repeat of Cold War era suppressive policies aimed at regime destabilization and change. Rather, the study finds that congressional action toward Venezuela—mainly the funding of democratic institution building programs— are not dissimilar to U.S. efforts elsewhere in Latin America and the Caribbean where pro-U.S. governments are in place.

Nonetheless, the presence of congressionally funded NGOs such as the National Endowment for Democracy continue to be interpreted by Chávez as attempts to undermine and even overthrow the Bolivarian government. Despite Chávez's accusations of ulterior motives behind U.S. funded NED democratic institution building programs, the entire Latin American region, with the exception of Cuba and more recently with the Honduran military coup that ousted the government of President Manuel Zelaya (June 28, 2009), has embraced electoral democracy. Despite Zelaya's pro-Chávez tendencies, the United States has publically condemned the coup and affirmed that Zelaya remains the democratically elected president of Honduras.<sup>43</sup>

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<sup>43</sup> Secretary of State Clinton on June 28, 2009, stated that "the action taken against Honduran President Manuel Zelaya violates the Inter-American Democratic Charter, and thus should be condemned by all."

#### **Conclusion Number 4**

My study concludes that the congressional reaction to revolutionary change in Latin America today is different than it was during the Cold War. There no longer exists an extra-hemispheric Great Power like the Cold War era Soviet Union seeking to undermine U.S. hegemony in Latin America. As a consequence, Congress is less ideological in its foreign policymaking. By extension Congress is less prone to attempt to dictate to Latin America what the best form of governance is and more prone to follow the sitting administration's recommendations.

That does not mean that the nature of the foreign policymaking process has changed. The process is still nuanced, although the mechanisms are somewhat more open given the significant advancements in technology and communications that facilitate NGO and other organized involvement in the policymaking process. Despite the institutionalized ways of congressional foreign policymaking, it appears that context matters greatly in determining how Congress reacts to specific instances of revolutionary changes in Latin America and the Caribbean. Any serious analysis of the rather tempered congressional response to Chávez will conclude, as does this dissertation, that the current world context and the place of the United States in it are largely responsible for the absence of an overt military response to the Bolivarian Revolution.

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See, Clinton, Hillary Rodham, "Situation in Honduras Press Release," (June 28, 2009), accessed July 3, 2009, <http://www.state.gov/secretary/rm/2009a/06/125452.htm>.



## Conclusion Number 5

This study demonstrates that while both the executive and legislative branches of the U.S. government have toned down their attention towards the Latin American region as a whole, it is also clear that congressional activity regarding Latin America has not been negligible. Three dimensions characterize congressional involvement in the Western hemisphere since the end of the Cold War.

First, Congress's decision not to pursue what Blasier would call a policy of suppression against the Chávez government is grounded in the notion that despite the populist, anti-American rhetoric emanating from Caracas, Chávez has not been able to stop the democratization process in Latin America.<sup>44</sup> The promotion of democracy, human rights, and freedom of the press are key congressional foreign policy concerns in the post-Cold War era and these have taken root throughout the region. While Chávez has besieged these in Venezuela, his Bolivarian Revolutionary model cannot be readily exported and its leftist objectives have often antagonized his regional counterparts.<sup>45</sup>

Second, this study concludes that since the 1970s Congress has exerted an increasingly active role in foreign policymaking, a role that at times puts it at odds with the executive branch's own conclusions about the gravity of a threat. However, the executive branch does not dispute the constitutional validity of Congress's involvement in the foreign policymaking process. In this sense while Congress may act as a brake at times on what it may view as executive branch (imperial) over-reach, its own involvement in foreign policymaking is not deemed by the executive branch to be outside

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<sup>44</sup> Ibid, pgs. 27-28.

<sup>45</sup> Ibid.

the scope of the U.S. Congress's constitutional prerogatives and is often welcomed, especially during periods of presidential administration transition.

The U.S. Department of State, as the lead foreign policymaking agency for the executive branch, has made it a point throughout the Bush administration to state its support for congressional involvement in foreign policymaking. This is made quite apparent by the State Department's encouragement of congressional travel abroad.<sup>46</sup> Such official travel serves two purposes: 1) it helps to make members of Congress invaluable advocates of American values and instruments of public diplomacy and; 2) through official travel overseas Congress can assess how U.S. foreign policy objectives are implemented by U.S. foreign policymaking agencies, whose funding is dependent on the congressional appropriations process.

In other words, this study finds that since the end of the Cold War, congressional involvement in foreign policymaking has considerably expanded, mainly as members of Congress travel abroad to oversee how U.S. funding promotes American values. While their travel abroad is a direct measure of increased congressional foreign policy interest, it is also a measure of the influence of U.S. local interests in foreign policymaking. Members of Congress travel more today to demonstrate that they are not only being good advocates of broad U.S. values and goals but also that they are indeed watching over constituents' interests.

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<sup>46</sup> The U.S. Department of State strongly encourages and supports congressional travel abroad. Congressional interaction with foreign governments, and by extension foreign policymaking, is welcomed since such travel assists members of Congress and their staff members to exercise their responsibilities as a separate branch of government. Members of Congress, traveling in an official capacity are seen by the Department of State and thereby the executive branch, as invaluable proponents of American democracy and values. U.S. Department of State, "Congressional Travel Guide," Telegram Number 012197 (unclassified) (February 7, 2008).

In the context of current day Latin America, the debate over Plan Colombia best illustrates this situation.<sup>47</sup> Hardly a week passes without some congressional delegation visiting Bogota or other parts of Colombia. Nearly ten years after its congressional passage, Plan Colombia exemplifies the extent of congressional involvement in the region.<sup>48</sup> The Colombian case reveals how members of Congress respond in different and often competing ways to lobbyists and others seeking to influence policy outcomes. While members of Congress have responded to lobbyists from helicopter manufacturers, human rights NGOs, and the American Federation of Labor – Congress of International Organizations (AFL-CIO), the Colombian case is however the exception to the general pattern of declining congressional involvement in Latin America as a result of increased focus on the Middle East.

A third characteristic of U.S. congressional involvement in Latin America is the extent to which Congress has shifted its focus to the Middle East since 2001. While it is probably safe to assume that congressional involvement in overseeing U.S. policy toward the Middle East has increased considerably, it is also probably correct to assert that in the early part of this decade, given the perceived gravity of the threat of terrorism to the United States, Congress simply went along with executive branch initiatives. In this context, with the noticeable exception of Colombia, the U.S. Congress paid scant

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<sup>47</sup> The term Plan Colombia refers to U.S. legislation that seeks to curb narcotics trafficking and strengthen the Colombian military. This legislation counts on strong bi-partisan backing in Congress. Plan Colombia is not without detractors who argue that it is merely an initiative aimed not at drug eradication but at strengthening the Colombian military in its fight against the FARC.

<sup>48</sup> The Congressional Record Index (CRI) for the years 1998-2008 highlights that Congress has focused more on Colombia than Venezuela. The CRI reports 1,127 individual documents referencing Colombia, with 430 referencing Venezuela during the period. U.S. Government Printing Office – U.S. Congressional Record Index, 1998-2008 accessed July 3, 2009, 2009, <http://www.gpoaccess.gov/cri/index.html>.

attention to the Western Hemisphere.<sup>49</sup> Paradoxically, as this study has demonstrated, this downturn in congressional interest in the region occurred alongside the consolidation of the Bolivarian model in Venezuela and its embrace by Bolivia and Ecuador in the Andes.

## **FINAL COMMENTS**

The evidence and data reviewed in this study highlights the fact that Chávez can ill afford to sever Venezuela's ties with the United States. Chávez's vulnerability permits a number of key conclusions to be reached: 1) the absence of an extra-hemispheric, anti-American power undertaking an interventionist foreign policy in the Latin American region greatly limits Chávez's capability to threaten U.S. interests via the formation of unfriendly, anti-American alliances; 2) economic dependence on the United States and its energy market limits Chávez's ability to implement revolutionary reforms that are antagonistic enough to convince the United States to pursue a change of regime in Caracas; 3) with George W. Bush out of office Chávez has a unique opportunity to declare himself the victor in his struggle against the "devil" thereby opening the door to conciliation with the Obama administration at a time of low oil prices; and 4) Congress, although wary of China's involvement in Venezuela's oil and gas sector, will continue to regard Chávez mainly as a nuisance to U.S. interests in the region.

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<sup>49</sup> Nonetheless since the end of the Cold War, U.S. presidential administrations and Congress regardless of party control have consistently promoted market oriented reforms, democratic institution building programs, and combating narcotics production and trafficking as major policy concerns when dealing with Latin America. With the notable exception of Plan Colombia, in which all branches of the U.S. government have given approval, the United States has avoided recourse to any notion of direct military intervention to pursue the foregoing policies. U.S. government reluctance to intervene in Venezuela may be conditioned by concerns of becoming bogged down in another internal conflict as resource-demanding if not more so, than Colombia's internal conflict.

Such conclusions are similar to those expressed by the Director of National Intelligence, John M. McConnell in February 2008 and coincide with those of Director Dennis C. Blair in February 2009. Chávez, in the short- to medium-term will remain more of a nuisance to the United States than a threat as he seeks to prioritize foreign policies aimed at uniting Latin America under his leadership, and behind an anti-American leftist agenda.<sup>50</sup> Although Chávez will continue to support Bolivia's Morales and Nicaragua's Ortega, as well as strongly back El Salvador's Farabundo Marti National Liberation Front (FMLN) in its bid to secure that country's presidency in the 2009 elections, the absence of an extra-hemispheric, anti-American power willing and able to implement interventionist policies reminiscent of the Soviet Union's during the Cold War precludes Chávez from becoming a significant threat to U.S. military security interests especially at a time when both he and his most likely backer (Russia) are hard hit by collapsing oil and gas revenues.

Congress will continue to view Chávez, much like it viewed the Sandinistas during the Cold War, as a nuisance. Chávez and his revolutionary agenda will be relegated by Congress to a lower priority level since they constitute a lower-level economic security threat to U.S. interests. Absent the existence of a military security threat the Obama White House will be hard pressed to wrestle the funds from Congress to pressure/suppress the Chávez government even if it so desired. Such a reality combined with falling oil prices will induce the United States and force Venezuela to eventually adopt a policy of reconciliation. At worst this study finds that Chávez will continue to be

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<sup>50</sup> McConnell, pg. 35, and Blair, pgs. 31-32.

a potential political security threat to U.S. interests in a manner similar to that of Nicaragua's Sandinista government.

Chávez has no viable option short of reconciliation with the United States. His government remains dependent on the U.S. energy market at a time of falling oil prices and government spending exceeding revenue collection. United States foreign policymakers today have the luxury of being able to wait out Chávez given the global recession and slackening demand for petroleum. Chávez on the other hand, is dependent on oil windfall profits. Without these, Chávez's supporters will turn their backs on the government as government spending on social welfare dries up.

It is too soon to tell if the Obama administration will continue the Bush administration's decision to wait out the situation with Chávez. If the Obama administration opts to continue the preceding administration's policies toward Venezuela, such action represents a return to the early Cold War era position when U.S. foreign policies were geared toward ascertaining how revolutionary change could play itself out. By doing so, U.S. foreign policymakers today in both the executive and legislative branches will be free to better focus resources on determining the implications of Latin American reformist and revolutionary agendas on U.S. interests in the region.

Congress is avoiding falling prey to Chávez's rhetoric. In doing so it has managed to prevent the implementation of suppressive policies that would otherwise have contributed to radicalize Chávez. Congress has succeeded in checking the momentum of revolutionary change in Venezuela and by extension the rest of Latin America. This is seen in the Chávez government's inability to establish single party rule which occurred with Castorite Cuba, despite having subjugated the military to his sole control.

In conclusion, my study has found that Blasier’s Cold War era theoretical framework remains valid for analyzing how U.S. foreign policymakers in the executive and legislative branches will react to Latin American revolutionary challenges. The study in closing suggests that Blasier’s original framework can be updated with the inclusion of the following five propositions (Table 24) that frame how U.S. foreign policymakers, especially those in Congress, are framing policies in reaction to post-Cold War revolutionary challenges in Latin America.

<b>Table 24 – Additional Propositions for United States Government’s (USG) Action Based on Blasier’s Framework, Revised to Reflect Post-Cold War Revolutionary Challenges</b>	
<b>Proposition</b>	<b>Definition</b>
<b>A</b>	USG, and in particular Congress, will respond flexibly to a post-Cold War reformist/revolutionary government (e.g., Chávez’s) due to the diminished importance placed on socio-political and economic ideology.
<b>B</b>	The USG and Congress in particular, will respond flexibly to reformist/revolutionary governments, despite attempts by these to form strategic partnerships with extra-hemispheric and anti-American powers, as long as these relationships do not pose an existential threat to the United States. If the latter do pose a threat, and there are verifiable links attesting to this collusion, then the reformist/revolutionary government will be suppressed.
<b>C</b>	USG and Congress in particular, will call on reformist/revolutionary governments to respect human rights, safeguard democracy, and promote freedom of expression. Noncompliance results in increased congressional funding for democracy promotion entities such as the National Endowment for Democracy, as well as increased congressional calls (i.e., hearings, bills, resolutions) for the offending government to reform. Compliance will result in USG conciliatory policies.
<b>D</b>	Economic interests of the overall U.S. economy, and not an individual U.S. corporate entity’s interests, take precedence. USG and Congress in particular, will respond flexibly as long as the reformist/revolutionary government remains a reliable commodities and natural resources supplier to the United States.
<b>E</b>	Commodity and resource competition by rivals of the United States at the invitation of a reformist/revolutionary government will result in increased congressional scrutiny and calls for transparency.

Blasier's theoretical framework remains a pragmatic means for assessing reformist and revolutionary developments in Latin America, especially at a time when U.S. foreign policymaking is in flux as the Obama administration works to develop its own foreign policy objectives and strategies. United States foreign policymaking, in both the executive and legislative branches of government has shifted in the post-Cold War period between emphasizing American ideological objectives such as the promotion of democracy and the other extreme, maintaining the status quo.

United States foreign policymaking has also gone from reliance on negotiations to the use of force, from calls to regulate markets to liberalize them, and from consensus building to assertive leadership. While the previous Bush administration saw the United States assert American leadership internationally, the Obama administration will be prone to pulling back from unilateralism and emphasize international cooperation (multilateralism). However, in marked contrast to traditional norms, it will be the Obama administration (Democratic) that will move away from the democracy promotion idealism that characterized U.S. foreign policy during the Bush administration and adopt a more realistic and pragmatic approach to international relations.

The Obama administration will move away from emphasizing human rights and democracy promotion, as evidenced by Secretary Clinton's refusal to publicly bring up these issues during her early 2009 visit to China, where she focused primarily on advancing the Strategic and Economic Dialogue (SED). A Democratic controlled and assertive Congress may likely opt to champion human rights and democracy promotion as the country comes closer to the November 2010 mid-term elections. If so, the proposed



additions to Blasier's framework in Table 24 will help analyze how Congress will react to revolutionary changes in the years to come.

While the Obama administration may opt to stabilize relations with rivals, for example by prioritizing relations with Russia and embracing Chávez (e.g., President Obama did not turn down the opportunity to shake Chávez's hand at the Summit of the Americas in Trinidad and Tobago in April 2009) in order to protect U.S. strategic interests, Congress will seek to strike the right balance between bilateralism and multilateralism that often eludes U.S. presidents. As the foreign policymaking pendulum swings in Washington, realists with their emphasis on diplomacy, decision-making by consensus, cooperation with allies, and pragmatism are back in vogue. Liberalism, with its emphasis on free markets, U.S. leadership (unilateralism), and democracy promotion is on the way out.

The relevance of Blasier's theoretical framework is that it remains a pragmatic means for resolving problems associated with reformist and revolutionary challenges confronting U.S. policymakers in Congress. My study finds that Blasier's framework provides the means of focusing on a goal and how to achieve it without necessarily discarding the need for a process.

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## APPENDICES

APPENDIX 1

CONGRESSIONAL SESSION CHART

CONGRESS	YEARS	CONGRESS	YEARS	CONGRESS	YEARS	CONGRESS	YEARS
1st	1789-91	37th	1861-63	73rd	1933-34	109th	2005-2006
2nd	1791-93	38th	1863-65	74th	1935-36	110th	2007-2008
3rd	1793-95	39th	1865-67	75th	1937-38	111th	2009-2010
4th	1795-97	40th	1867-69	76th	1939-41	112th	2011-2012
5th	1797-99	41st	1869-71	77th	1941-42	113th	2013-2014
6th	1799-1801	42nd	1871-73	78th	1943-44	---	---
7th	1801-03	43rd	1873-75	79th	1945-46	---	---
8th	1803-05	44th	1875-77	80th	1947-48	---	---
9th	1805-07	45th	1877-79	81st	1949-51	---	---
10th	1807-09	46th	1879-81	82nd	1951-52	---	---
11th	1809-11	47th	1881-83	83rd	1953-54	---	---
12th	1811-13	48th	1883-85	84th	1955-56	---	---
13th	1813-15	49th	1885-87	85th	1957-58	---	---
14th	1815-17	50th	1887-89	86th	1959-60	---	---
15th	1817-19	51st	1889-91	87th	1961-62	---	---
16th	1819-21	52nd	1891-93	88th	1963-64	---	---
17th	1821-23	53rd	1893-95	89th	1965-66	---	---
18th	1823-25	54th	1895-97	90th	1967-68	---	---
19th	1825-27	55th	1897-99	91st	1969-71	----	---
20th	1827-29	56th	1899-1901	92nd	1971-72	----	---
21st	1829-31	57th	1901-03	93rd	1973-74	---	---
22nd	1831-33	58th	1903-05	94th	1975-76	---	---
23rd	1833-35	59th	1905-07	95th	1977-78	---	---
24th	1835-37	60th	1907-09	96th	1979-80	---	---
25th	1837-39	61st	1909-11	97th	1981-82	---	---
26th	1839-41	62nd	1911-13	98th	1983-84	---	---
27th	1841-43	63rd	1913-15	99th	1985-86	---	---
28th	1843-45	64th	1915-17	100th	1987-88	---	---
29th	1845-47	65th	1917-19	101st	1989-90	---	---
30th	1947-49	66th	1919-21	102nd	1991-92	---	---
31st	1849-51	67th	1921-23	103rd	1993-94	---	---
32nd	1851-53	68th	1923-25	104th	1995-96	---	---
33rd	1853-55	69th	1925-27	105th	1997-98	---	---
34th	1855-57	70th	1927-29	106th	1999-2000	---	---
35th	1857-59	71st	1929-31	107th	2001-2002	---	---
36th	1859-61	72nd	1931-33	108th	2003-2004	---	---

Source: Indiana University – Bloomington, (2008), accessed February 3, 2008, <http://www.libraries.iub.edu/index.php?pageId=3373>.

APPENDIX 2

**NATIONAL ENDOWMENT FOR DEMOCRACY FISCAL YEAR  
APPROPRIATIONS BASED ON 2006 DOLLAR VALUES**

<b>FISCAL YEAR (ACTUAL)</b>	<b>APPROPRIATION AMOUNT</b>	<b>APPROPRIATION AMOUNT ADJUSTED</b>
1995	\$34.0 million	\$44.9 million
1996	\$30.0 million	\$38.5 million
1997	\$30.0 million	\$37.6 million
1998	\$30.0 million	\$37.1 million
1999	\$31.0 million	\$37.5 million
2000	\$31.0 million	\$36.2 million
2001	\$31.0 million	\$35.2 million
2002	\$33.5 million	\$37.5 million
2003	\$41.7 million	\$45.6 million
2004	\$39.8 million	\$42.4 million
2005	\$60.0 million	\$61.9 million
2006	\$74.0 million	\$74.0 million
2007(e)	\$50.0 million	---
2008(r)	\$80.0 million	---

Note: (e) stands for estimate and (r) stands for requested.

Source: The Fiscal Year (FY) 1995-2005 data is compiled from CRS State Department and Related Agencies FY Appropriations reports (various years), see

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dollar in 1995 to 2006 (last year of full annual data for initial and target year) using the consumer price index, see <http://www.measuringworth.com/calculators/uscompare/index.php#> accessed, February 3, 2008.

U.S. DEPARTMENT OF STATE INCOMING TELEGRAM - AMERICAN EMBASSY MANAGUA 2857 (JUNE 1979)

(54)

**Department of State**  
**INCOMING TELEGRAM**  
**ACTION COPY**

REVIEWED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 DEPARTMENT OF STATE A/C/DIR  
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NOUIS - SPECIAL ENCRYPTION

DEPT ALSO PASS TO AMEMBASSY CARACAS, AMEMBASSY PANAMA  
 AND AMEMBASSY SAN JOSE

SAN JOSE FOR AMBASSADOR SCHULER

E.O. 12065: XGDS-4 6/27/2009 (PEZZULLO, LAWRENCE A.) DR-M  
 TAGS: PINT, PINS, NU  
 SUBJECT: (S) SOMOZA - THE FIRST VISIT

1. S - ENTIRE TEXT.

2. I CALLED ON SOMOZA THIS AFTERNOON. HE WAS ACCOMPANIED BY  
 FORMIN QUINTANA AND CONGRESSMAN MURPHY. AFTER PLEASANTIES,  
 I ASKED IF HE HAD ANY COMMENTS TO MAKE ON THE MESSAGE WE  
 PASSED TO FORMIN QUINTANA AND LOUIS PALLAIS. HE ASKED THAT  
 I GO OVER THE POINTS AGAIN.

3. IN VERY DRAMATIC FASHION HE THEN SAID HE HAD TO MEET  
 WITH HIS ASSOCIATES AND LEFT THE ROOM WITH QUINTANA AND  
 MURPHY. WHEN HE RETURNED HE SAID HE WAS PREPARED TO RESIGN  
 BUT THAT HE WANTED "GUARANTEES" THAT THE GUARDIA NACIONAL  
 (GN) WOULD NOT BE DESTROYED. HE SAID IT WAS ESSENTIAL THAT  
 THE GN RECEIVE USU ASSISTANCE TO FIGHT THE COMMUNISTS  
 AS SOON AS HE TURNED POWER OVER TO A SUCCESSOR REGIME. I  
 MADE IT CLEAR THAT A CHANGE WOULD BE VIABLE ONLY IF IT WAS  
**SECRET**

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY

Source: George Washington University - National Security Archive's Nicaragua Collection, accessed April 6, 2008, <http://www.gwu.edu/~nsarchiv/nsa/publications/nicaragua/nidoc1.html>.

APPENDIX 4

NATIONAL SECURITY DECISION DIRECTIVE NUMBER 17  
THE WHITE HOUSE, WASHINGTON D.C. (JANUARY 4, 1982)

**TOP SECRET**

THE WHITE HOUSE  
WASHINGTON

January 4, 1982

**TOP SECRET**

NATIONAL SECURITY DECISION  
DIRECTIVE NUMBER 17

NATIONAL SECURITY DECISION DIRECTIVE ON  
CUBA AND CENTRAL AMERICA

U.S. policy toward the Americas is characterized by strong support for those nations which embrace the principles of democracy and freedom for their people in a stable and peaceful environment. U.S. policy is therefore to assist in defeating the insurgency in El Salvador, and to oppose actions by Cuba, Nicaragua, or others to introduce into Central America heavy weapons, troops from outside the region, trained subversives, or arms and military supplies for insurgents. To adequately support U.S. policy, the following decisions have been made by the President based on discussion at the November 16, 1981 meeting of the National Security Council:

1. Create a public information task force to inform the public and Congress of the critical situation in the area.
2. Economic support for a number of Central American and Caribbean countries (estimate \$250 to \$300 million FY 1982 supplemental).
3. Agreement to use most of the \$50 million Section 506 authority to increase military assistance to El Salvador and Honduras. Reprogram additional funds as necessary.
4. Provide military training for indigenous units and leaders both in and out of country.

**TOP SECRET**

Classified on December 15, 1987

DRV. CL. by JCS


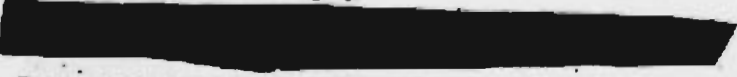
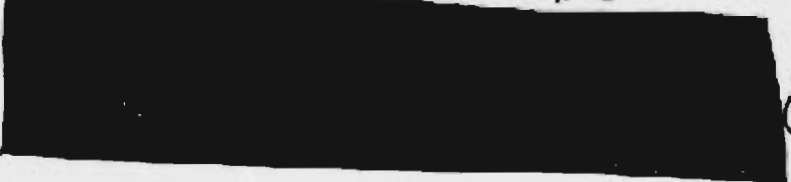
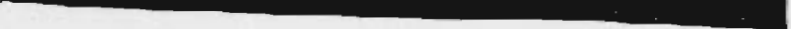
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DATE: 12/19/81  
BY: [unclear]

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~~TOP SECRET~~  
~~UNDER CONTROL~~

- 5.  b1  
(S)
- 6. Maintain trade and credit to Nicaragua as long as the government permits the private sector to operate effectively. ~~(S)~~
- 7.  b1  
(S)
- 8. Encourage cooperative efforts to defeat externally-supported insurgency by pursuing a multilateral step-by-step approach. ~~(S)~~
- 9. Support democratic forces in Nicaragua. ~~(S)~~
- 10.  b1  
(TS)
- 11. 

*Ronald Reagan*

~~TOP SECRET~~  
~~UNDER CONTROL~~

~~TOP SECRET~~  
~~UNDER CONTROL~~

Source: George Washington University – National Security Archive’s Nicaragua Collection, accessed May 26, 2008, <http://www.gwu.edu/~nsarchiv/nsa/publications/presidentusa/pdoc.html>.



## APPENDIX 5

### HUGO CHÁVEZ ADDRESS TO THE UNITED NATIONS, NEW YORK (SEPTEMBER 20, 2006)

Representatives of the governments of the world, good morning to all of you. First of all, I would like to invite you, very respectfully, to those who have not read this book, to read it.

Noam Chomsky, one of the most prestigious American and world intellectuals, Noam Chomsky, and this is one of his most recent books, *'Hegemony or Survival: The Imperialist Strategy of the United States.'*" [Holds up book, waves it in front of General Assembly.] "It's an excellent book to help us understand what has been happening in the world throughout the 20th century, and what's happening now, and the greatest threat looming over our planet.

The hegemonic pretensions of the American empire are placing at risk the very survival of the human species. We continue to warn you about this danger and we appeal to the people of the United States and the world to halt this threat, which is like a sword hanging over our heads. I had considered reading from this book, but, for the sake of time," [flips through the pages, which are numerous] "I will just leave it as a recommendation.

It reads easily, it is a very good book, I'm sure Madame [President] you are familiar with it. It appears in English, in Russian, in Arabic, in German. I think that the first people who should read this book are our brothers and sisters in the United States, because their threat is right in their own house.

The devil is right at home. The devil, the devil himself, is right in the house.

"And the devil came here yesterday. Yesterday the devil came here. Right here." [crosses himself] "And it smells of sulfur still today.

Yesterday, ladies and gentlemen, from this rostrum, the president of the United States, the gentleman to whom I refer as the devil, came here, talking as if he owned the world. Truly. As the owner of the world.

I think we could call a psychiatrist to analyze yesterday's statement made by the president of the United States. As the spokesman of imperialism, he came to share his nostrums, to try to preserve the current pattern of domination, exploitation and pillage of the peoples of the world.

An Alfred Hitchcock movie could use it as a scenario. I would even propose a title: "The Devil's Recipe."

As Chomsky says here, clearly and in depth, the American empire is doing all it can to consolidate its system of domination. And we cannot allow them to do that. We cannot allow world dictatorship to be consolidated.

The world parent's statement -- cynical, hypocritical, full of this imperial hypocrisy from the need they have to control everything.

They say they want to impose a democratic model. But that's their democratic model. It's the false democracy of elites, and, I would say, a very original democracy that's imposed by weapons and bombs and firing weapons.

What a strange democracy. Aristotle might not recognize it or others who are at the root of democracy.

What type of democracy do you impose with marines and bombs?

The president of the United States, yesterday, said to us, right here, in this room, and I'm quoting, "Anywhere you look, you hear extremists telling you can escape from poverty and recover your dignity through violence, terror and martyrdom."

Wherever he looks, he sees extremists. And you, my brother -- he looks at your color, and he says, oh, there's an extremist. Evo Morales, the worthy president of Bolivia, looks like an extremist to him.

The imperialists see extremists everywhere. It's not that we are extremists. It's that the world is waking up. It's waking up all over. And people are standing up.

I have the feeling, dear world dictator, that you are going to live the rest of your days as a nightmare because the rest of us are standing up, all those who are rising up against American imperialism, who are shouting for equality, for respect, for the sovereignty of nations.

Yes, you can call us extremists, but we are rising up against the empire, against the model of domination.

The president then -- and this he said himself, he said: "I have come to speak directly to the populations in the Middle East, to tell them that my country wants peace."

That's true. If we walk in the streets of the Bronx, if we walk around New York, Washington, San Diego, in any city, San Antonio, San Francisco, and we ask individuals, the citizens of the United States, what does this country want? Does it want peace? They'll say yes.

But the government doesn't want peace. The government of the United States doesn't want peace. It wants to exploit its system of exploitation, of pillage, of hegemony through war.

It wants peace. But what's happening in Iraq? What happened in Lebanon? In Palestine? What's happening? What's happened over the last 100 years in Latin America and in the world? And now threatening Venezuela -- new threats against Venezuela, against Iran?

He spoke to the people of Lebanon. Many of you, he said, have seen how your homes and communities were caught in the crossfire. How cynical can you get? What a capacity to lie shamefacedly. The bombs in Beirut with millimetric precision?

This is crossfire? He's thinking of a western, when people would shoot from the hip and somebody would be caught in the crossfire.

This is imperialist, fascist, assassin, genocidal, the empire and Israel firing on the people of Palestine and Lebanon. That is what happened. And now we hear, "We're suffering because we see homes destroyed."

The president of the United States came to talk to the peoples -- to the peoples of the world. He came to say -- I brought some documents with me, because this morning I was reading some statements, and I see that he talked to the people of Afghanistan, the people of Lebanon, the people of Iran. And he addressed all these peoples directly.

And you can wonder, just as the president of the United States addresses those peoples of the world, what would those peoples of the world tell him if they were given the floor? What would they have to say?

And I think I have some inkling of what the peoples of the south, the oppressed people think. They would say, "Yankee imperialist, go home." I think that is what those people would say if they were given the microphone and if they could speak with one voice to the American imperialists.

And that is why, Madam President, my colleagues, my friends, last year we came here to this same hall as we have been doing for the past eight years, and we said something that has now been confirmed -- fully, fully confirmed.

I don't think anybody in this room could defend the system. Let's accept -- let's be honest. The U.N. system, born after the Second World War, collapsed. It's worthless.

Oh, yes, it's good to bring us together once a year, see each other, make statements and prepare all kinds of long documents, and listen to good speeches, like Abel's yesterday, or President Mullah's . Yes, it's good for that.

And there are a lot of speeches, and we've heard lots from the president of Sri Lanka, for instance, and the president of Chile.

But we, the assembly, have been turned into a merely deliberative organ. We have no power, no power to make any impact on the terrible situation in the world. And that is why Venezuela once again proposes, here, today, 20 September, that we re-establish the United Nations.

Last year, Madam, we made four modest proposals that we felt to be crucially important. We have to assume the responsibility our heads of state, our ambassadors, our representatives, and we have to discuss it.

The first is expansion, and Mullah talked about this yesterday right here. The Security Council, both as it has permanent and non-permanent categories, (inaudible) developing countries and LDCs must be given access as new permanent members. That's step one.

Second, effective methods to address and resolve world conflicts, transparent decisions.

Point three, the immediate suppression -- and that is something everyone's calling for -- of the anti-democratic mechanism known as the veto, the veto on decisions of the Security Council.

Let me give you a recent example. The immoral veto of the United States allowed the Israelis, with impunity, to destroy Lebanon. Right in front of all of us as we stood there watching, a resolution in the council was prevented.

Fourthly, we have to strengthen, as we've always said, the role and the powers of the secretary general of the United Nations.

Yesterday, the secretary general practically gave us his speech of farewell. And he recognized that over the last 10 years, things have just gotten more complicated; hunger, poverty, violence, human rights violations have just worsened. That is the tremendous consequence of the collapse of the United Nations system and American hegemonistic pretensions.

Madam, Venezuela a few years ago decided to wage this battle within the United Nations by recognizing the United Nations, as members of it that we are, and lending it our voice, our thinking.

Our voice is an independent voice to represent the dignity and the search for peace and the reformulation of the international system; to denounce persecution and aggression of hegemonistic forces on the planet.

This is how Venezuela has presented itself. Bolivar's home has sought a nonpermanent seat on the Security Council.

Let's see. Well, there's been an open attack by the U.S. government, an immoral attack, to try and prevent Venezuela from being freely elected to a post in the Security Council.

The imperium is afraid of truth, is afraid of independent voices. It calls us extremists, but they are the extremists.

And I would like to thank all the countries that have kindly announced their support for Venezuela, even though the ballot is a secret one and there's no need to announce things.

But since the imperium has attacked, openly, they strengthened the convictions of many countries. And their support strengthens us.

Mercosur, as a bloc, has expressed its support, our brothers in Mercosur. Venezuela, with Brazil, Argentina, Paraguay, Uruguay, is a full member of Mercosur.

And many other Latin American countries, CARICOM, Bolivia have expressed their support for Venezuela. The Arab League, the full Arab League has voiced its support. And I am immensely grateful to the Arab world, to our Arab brothers, our Caribbean brothers, the African Union. Almost all of Africa has expressed its support for Venezuela and countries such as Russia or China and many others.

I thank you all warmly on behalf of Venezuela, on behalf of our people, and on behalf of the truth, because Venezuela, with a seat on the Security Council, will be expressing not only Venezuela's thoughts, but it will also be the voice of all the peoples of the world, and we will defend dignity and truth.

Over and above all of this, Madam President, I think there are reasons to be optimistic. A poet would have said "helplessly optimistic," because over and above the wars and the bombs and the aggressive and the preventive war and the destruction of entire peoples, one can see that a new era is dawning.

As Silvio Rodriguez says, the era is giving birth to a heart. There are alternative ways of thinking. There are young people who think differently. And this has already been seen within the space of a mere decade. It was shown that the end of history was a totally false assumption, and the same was shown about Pax Americana and the establishment of the capitalist neo-liberal world. It has been shown, this system, to generate mere poverty. Who believes in it now?

What we now have to do is define the future of the world. Dawn is breaking out all over. You can see it in Africa and Europe and Latin America and Oceania. I want to emphasize that optimistic vision.

We have to strengthen ourselves, our will to do battle, our awareness. We have to build a new and better world.

Venezuela joins that struggle, and that's why we are threatened. The U.S. has already planned, financed and set in motion a coup in Venezuela, and it continues to support coup attempts in Venezuela and elsewhere.

President Michelle Bachelet reminded us just a moment ago of the horrendous assassination of the former foreign minister, Orlando Letelier.

And I would just add one thing: Those who perpetrated this crime are free. And that other event where an American citizen also died were American themselves. They were CIA killers, terrorists.

And we must recall in this room that in just a few days there will be another anniversary. Thirty years will have passed from this other horrendous terrorist attack on the Cuban plane, where 73 innocents died, a Cubana de Aviacion airliner.

And where is the biggest terrorist of this continent who took the responsibility for blowing up the plane? He spent a few years in jail in Venezuela. Thanks to CIA and then government officials, he was allowed to escape, and he lives here in this country, protected by the government.

And he was convicted. He has confessed to his crime. But the U.S. government has double standards. It protects terrorism when it wants to.

And this is to say that Venezuela is fully committed to combating terrorism and violence. And we are one of the people who are fighting for peace.

Luis Posada Carriles is the name of that terrorist who is protected here. And other tremendously corrupt people who escaped from Venezuela are also living here under protection: a group that bombed various embassies, that assassinated people during the coup. They kidnapped me and they were going to kill me, but I think God reached down and our people came out into the streets and the army was too, and so I'm here today.

But these people who led that coup are here today in this country protected by the American government. And I accuse the American government of protecting terrorists and of having a completely cynical discourse.

We mentioned Cuba. Yes, we were just there a few days ago. We just came from there happily.

And there you see another era born. The Summit of the 15, the Summit of the Nonaligned, adopted a historic resolution. This is the outcome document. Don't worry, I'm not going to read it.

But you have a whole set of resolutions here that were adopted after open debate in a transparent matter -- more than 50 heads of state. Havana was the capital of the south for a few weeks, and we have now launched, once again, the group of the nonaligned with new momentum.

And if there is anything I could ask all of you here, my companions, my brothers and sisters, it is to please lend your good will to lend momentum to the Nonaligned Movement for the birth of the new era, to prevent hegemony and prevent further advances of imperialism.

And as you know, Fidel Castro is the president of the nonaligned for the next three years, and we can trust him to lead the charge very efficiently.

Unfortunately they thought, "Oh, Fidel was going to die." But they're going to be disappointed because he didn't. And he's not only alive, he's back in his green fatigues, and he's now presiding the nonaligned.

So, my dear colleagues, Madam President, a new, strong movement has been born, a movement of the south. We are men and women of the south.

With this document, with these ideas, with these criticisms, I'm now closing my file. I'm taking the book with me. And, don't forget, I'm recommending it very warmly and very humbly to all of you.

We want ideas to save our planet, to save the planet from the imperialist threat. And hopefully in this very century, in not too long a time, we will see this, we will see this new era, and for our children and our grandchildren a world of peace based on the fundamental principles of the United Nations, but a renewed United Nations.

And maybe we have to change location. Maybe we have to put the United Nations somewhere else; maybe a city of the south. We've proposed Venezuela.

You know that my personal doctor had to stay in the plane. The chief of security had to be left in a locked plane. Neither of these gentlemen was allowed to arrive and attend the U.N. meeting. This is another abuse and another abuse of power on the part of the Devil. It smells of sulfur here, but God is with us and I embrace you all.

May God bless us all. Good day to you.

Source: Commondreams.org. Published on September 20, 2006, accessed June 8, 2008, <http://www.commondreams.org/views06/0920-22.htm>.

APPENDIX 6

**AVERAGE DAILY (THOUSANDS OF BARRELS) PRODUCTION PER MONTH  
PER YEAR OF VENEZUELAN CRUDE OIL, 1973 TO 2008**

<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>
1973 01 3272.000	1976 05 2410.000	1979 09 2358.000
1973 02 3309.000	1976 06 2371.000	1979 10 2354.000
1973 03 3330.000	1976 07 2481.000	1979 11 2389.000
1973 04 3360.000	1976 08 2447.000	1979 12 2407.000
1973 05 3426.000	1976 09 2429.000	1980 01 2281.000
1973 06 3383.000	1976 10 2364.000	1980 02 2206.000
1973 07 3391.000	1976 11 2264.000	1980 03 1989.000
1973 08 3396.000	1976 12 2388.000	1980 04 2052.000
1973 09 3406.000	1977 01 2380.000	1980 05 2047.000
1973 10 3381.000	1977 02 2332.000	1980 06 2060.000
1973 11 3395.000	1977 03 2367.000	1980 07 2171.000
1973 12 3340.000	1977 04 2180.000	1980 08 2211.000
1974 01 3284.000	1977 05 2125.000	1980 09 2191.000
1974 02 3230.000	1977 06 2230.000	1980 10 2228.000
1974 03 3189.000	1977 07 2209.000	1980 11 2231.000
1974 04 3053.000	1977 08 2284.000	1980 12 2351.000
1974 05 2939.000	1977 09 2366.000	1981 01 2214.000
1974 06 2953.000	1977 10 2350.000	1981 02 2189.000
1974 07 2949.000	1977 11 2074.000	1981 03 2229.000
1974 08 2868.000	1977 12 1965.000	1981 04 2194.000
1974 09 2778.000	1978 01 1802.000	1981 05 2169.000
1974 10 2818.000	1978 02 1640.000	1981 06 1985.000
1974 11 2826.000	1978 03 2085.000	1981 07 1755.000
1974 12 2841.000	1978 04 2251.000	1981 08 1955.000
1975 01 2747.000	1978 05 2038.000	1981 09 2092.000
1975 02 2565.000	1978 06 2372.000	1981 10 1975.000
1975 03 2535.000	1978 07 2309.000	1981 11 2224.000
1975 04 2490.000	1978 08 2206.000	1981 12 2254.000
1975 05 2394.000	1978 09 2275.000	1982 01 1989.000
1975 06 2439.000	1978 10 2328.000	1982 02 1734.000
1975 07 2336.000	1978 11 2272.000	1982 03 1834.000
1975 08 2285.000	1978 12 2367.000	1982 04 1533.000
1975 09 2316.000	1979 01 2342.000	1982 05 1503.000
1975 10 2244.000	1979 02 2342.000	1982 06 1513.000
1975 11 2045.000	1979 03 2422.000	1982 07 1844.000
1975 12 1771.000	1979 04 2380.000	1982 08 1964.000
1976 01 1675.000	1979 05 2377.000	1982 09 1994.000
1976 02 2002.000	1979 06 2246.000	1982 10 2165.000
1976 03 2289.000	1979 07 2326.000	1982 11 2305.000
1976 04 2401.000	1979 08 2324.000	1982 12 2338.000

<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>
1983 01 2098.000	1986 10 1750.000	1990 07 2040.313
1983 02 1791.000	1986 11 1780.000	1990 08 2090.320
1983 03 2093.000	1986 12 1855.000	1990 09 2290.351
1983 04 1726.000	1987 01 1671.000	1990 10 2275.349
1983 05 1695.000	1987 02 1671.000	1990 11 2320.356
1983 06 1700.000	1987 03 1807.000	1990 12 2340.359
1983 07 1705.000	1987 04 1701.000	1991 01 2395.877
1983 08 1741.000	1987 05 1726.000	1991 02 2395.877
1983 09 1736.000	1987 06 1766.000	1991 03 2395.877
1983 10 1750.000	1987 07 1887.000	1991 04 2345.717
1983 11 1781.000	1987 08 1796.000	1991 05 2345.717
1983 12 1786.000	1987 09 1746.000	1991 06 2345.717
1984 01 1825.000	1987 10 1751.000	1991 07 2345.717
1984 02 1800.000	1987 11 1746.000	1991 08 2345.717
1984 03 1800.000	1987 12 1746.000	1991 09 2345.717
1984 04 1800.000	1988 01 1853.000	1991 10 2395.907
1984 05 1825.000	1988 02 1853.000	1991 11 2395.907
1984 06 1790.000	1988 03 1853.000	1991 12 2446.096
1984 07 1845.000	1988 04 1853.000	1992 01 2390.000
1984 08 1805.000	1988 05 1853.000	1992 02 2340.000
1984 09 1835.000	1988 06 1853.000	1992 03 2190.000
1984 10 1785.000	1988 07 1853.000	1992 04 2190.000
1984 11 1710.000	1988 08 1853.000	1992 05 2290.000
1984 12 1755.000	1988 09 1928.000	1992 06 2290.000
1985 01 1673.000	1988 10 1928.000	1992 07 2290.000
1985 02 1678.000	1988 11 2078.000	1992 08 2340.000
1985 03 1683.000	1988 12 2078.000	1992 09 2390.000
1985 04 1678.000	1989 01 1862.000	1992 10 2440.000
1985 05 1688.000	1989 02 1862.000	1992 11 2440.000
1985 06 1673.000	1989 03 1862.000	1992 12 2415.000
1985 07 1673.000	1989 04 1862.000	1993 01 2484.343
1985 08 1673.000	1989 05 1862.000	1993 02 2463.726
1985 09 1673.000	1989 06 1913.000	1993 03 2412.183
1985 10 1673.000	1989 07 1875.000	1993 04 2412.183
1985 11 1678.000	1989 08 1926.000	1993 05 2412.183
1985 12 1683.000	1989 09 1926.000	1993 06 2412.183
1986 01 1730.000	1989 10 1977.000	1993 07 2463.726
1986 02 1730.000	1989 11 1977.000	1993 08 2463.726
1986 03 1730.000	1989 12 1977.000	1993 09 2453.417
1986 04 1730.000	1990 01 1990.305	1993 10 2474.034
1986 05 1730.000	1990 02 2140.328	1993 11 2474.034
1986 06 1755.000	1990 03 2040.313	1993 12 2474.034
1986 07 1770.000	1990 04 2040.313	1994 01 2563.797
1986 08 2115.000	1990 05 2040.313	1994 02 2563.797
1986 09 1760.000	1990 06 2040.313	1994 03 2563.797



<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>
1994 04 2553.500	1998 01 3440.000	2001 10 2873.755
1994 05 2574.093	1998 02 3410.000	2001 11 2863.297
1994 06 2574.093	1998 03 3410.000	2001 12 2873.755
1994 07 2594.686	1998 04 3240.000	2002 01 2630.000
1994 08 2615.279	1998 05 3240.000	2002 02 2600.000
1994 09 2615.279	1998 06 3210.000	2002 03 2620.000
1994 10 2615.279	1998 07 3070.000	2002 04 2530.000
1994 11 2615.279	1998 08 2990.000	2002 05 2730.000
1994 12 2604.982	1998 09 2940.000	2002 06 2735.000
1995 01 2600.000	1998 10 2990.000	2002 07 2735.000
1995 02 2600.000	1998 11 3040.000	2002 08 2765.000
1995 03 2600.000	1998 12 3040.000	2002 09 2955.000
1995 04 2670.000	1999 01 3019.294	2002 10 2980.000
1995 05 2790.000	1999 02 2999.366	2002 11 2972.000
1995 06 2790.000	1999 03 2959.510	2002 12 1020.000
1995 07 2790.000	1999 04 2800.084	2003 01 630.000
1995 08 2790.000	1999 05 2780.156	2003 02 1450.000
1995 09 2790.000	1999 06 2760.228	2003 03 2390.000
1995 10 2840.000	1999 07 2760.228	2003 04 2555.000
1995 11 2840.000	1999 08 2760.228	2003 05 2665.000
1995 12 2890.000	1999 09 2760.228	2003 06 2640.000
1996 01 2829.333	1999 10 2760.228	2003 07 2640.000
1996 02 2829.333	1999 11 2780.156	2003 08 2640.000
1996 03 2877.425	1999 12 2780.156	2003 09 2640.000
1996 04 2877.425	2000 01 2985.072	2003 10 2640.000
1996 05 2877.425	2000 02 3049.344	2003 11 2540.000
1996 06 2877.425	2000 03 3049.344	2003 12 2540.000
1996 07 2925.517	2000 04 3102.904	2004 01 2540.000
1996 08 2973.609	2000 05 3135.039	2004 02 2540.000
1996 09 2973.609	2000 06 3156.463	2004 03 2540.000
1996 10 3021.701	2000 07 3177.887	2004 04 2540.000
1996 11 3069.793	2000 08 3188.599	2004 05 2540.000
1996 12 3117.885	2000 09 3188.599	2004 06 2540.000
1997 01 3156.453	2000 10 3263.583	2004 07 2540.000
1997 02 3156.453	2000 11 3263.583	2004 08 2540.000
1997 03 3166.347	2000 12 3295.719	2004 09 2540.000
1997 04 3186.134	2001 01 3239.797	2004 10 2640.000
1997 05 3205.921	2001 02 3166.589	2004 11 2540.000
1997 06 3225.708	2001 03 3135.214	2004 12 2640.000
1997 07 3235.601	2001 04 3051.547	2005 01 2640.000
1997 08 3354.323	2001 05 3020.172	2005 02 2640.000
1997 09 3393.897	2001 06 3030.630	2005 03 2640.000
1997 10 3393.897	2001 07 3020.172	2005 04 2540.000
1997 11 3423.578	2001 08 3009.713	2005 05 2540.000
1997 12 3453.258	2001 09 2842.380	2005 06 2540.000

<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>
2005 07 2540.000	2008 01 2440.000	
2005 08 2540.000	2008 02 2440.000	
2005 09 2540.000	2008 03 2430.000	
2005 10 2540.000	2008 04 2420.000	
2005 11 2540.000	2008 05 2410.000	
2005 12 2540.000	2008 06 2400.000	
2006 01 2540.000	2008 07 2390.000	
2006 02 2540.000	2008 08 2380.000	
2006 03 2540.000	2008 09 2370.000	
2006 04 2540.000	2008 10 2360.000	
2006 05 2540.000		
2006 06 2540.000		
2006 07 2440.000		
2006 08 2490.000		
2006 09 2490.000		
2006 10 2490.000		
2006 11 2490.000		
2006 12 2490.000		
2007 01 2380.000		
2007 02 2383.000		
2007 03 2444.690		
2007 04 2444.588		
2007 05 2444.337		
2007 06 2444.066		
2007 07 2443.808		
2007 08 2443.570		
2007 09 2440.000		
2007 10 2440.000		
2007 11 2440.000		
2007 12 2440.000		

Source: Economagic.com, "Economic Time Series Page: Crude Oil Production, Venezuela; Thousand Barrels per Day," accessed June 22, 2008 and February 14, 2009, <http://www.economagic.com/em-cgi/data.exe/doeme/paprpve>.

APPENDIX 7

**OVERALL RISK RATING SCALE AND RISK DESCRIPTION FOR SELECT COUNTRIES**

<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>	<b>YEAR/ MONTH/ AVERAGE</b>
1.00 to 1.24	Insignificant	Luxembourg (1.21)
1.25 to 1.74	Negligible	United States (1.51)
1.75 to 1.99	Low	Qatar (1.91)
2.00 to 2.49	Moderate	Uruguay (2.29)
2.50 to 2.99	Medium	Brazil (2.66) All countries averaged (2.75)
3.00 to 3.49	Significant	Colombia (3.15)
3.50 to 3.99	High	Nicaragua (3.55)
4.00 to 4.49	Very High	Guinea (4.10)
4.50 to 5.00	Extreme	Somalia (4.80)
<b>AVERAGE OVERALL RISK</b>		<b>REGIONAL SUMMARY</b>
Low		North America (1.81) Europe (1.98)
Medium		Latin America and Caribbean (2.58) Asia – Pacific (2.83) Middle East and North Africa (2.84)
Significant		Commonwealth of Independent States (3.31) Sub-Saharan Africa (3.37)

Obs: Global Insight’s overall risk rating is calculated using a geometric mean of the individual risk categories – political, economic, legal risk, tax risk, operational risk, and security risk.

Source: Global Insight, Country Risk Methodology, Accessed June 8, 2008, <http://www.globalinsight.com>.

## APPENDIX 8

**ANNUAL AVERAGE OF WEST TEXAS INTERMEDIATE (TEXAS LIGHT  
SWEET) CRUDE OIL PRICES, 1946 TO PRESENT (2007)**

<b>CALENDAR YEAR</b>	<b>AVERAGE (NOMINAL)</b>	<b>INFLATION ADJUSTED</b>
1946	\$1.63	\$17.26
1947	\$2.16	\$20.29
1948	\$2.77	\$24.21
1949	\$2.77	\$24.44
1950	\$2.77	\$24.18
1951	\$2.77	\$22.42
1952	\$2.77	\$21.17
1953	\$2.92	\$22.88
1954	\$2.99	\$23.39
1955	\$2.93	\$22.94
1956	\$2.94	\$22.74
1957	\$3.00	\$23.46
1958	\$3.01	\$21.83
1959	\$3.00	\$21.62
1960	\$2.91	\$20.69
1961	\$2.85	\$20.03
1962	\$2.85	\$19.79
1963	\$3.00	\$19.97
1964	\$2.88	\$20.32
1965	\$3.01	\$20.05
1966	\$3.10	\$20.06
1967	\$3.12	\$19.65
1968	\$3.18	\$19.17
1969	\$3.32	\$19.02
1970	\$3.39	\$18.35
1971	\$3.60	\$18.68
1972	\$3.60	\$20.03
1973	\$4.75	\$22.20
1974	\$9.35	\$39.77

<b>CALENDAR YEAR</b>	<b>AVERAGE (NOMINAL)</b>	<b>INFLATION ADJUSTED</b>
1975	\$7.67	\$47.63
1976	\$13.10	\$48.36
1977	\$14.40	\$49.88
1978	\$14.95	\$48.17
1979	\$25.10	\$71.96
1980	\$37.42	\$95.50
1981	\$35.75	\$82.70
1982	\$31.83	\$69.33
1983	\$29.08	\$61.34
1984	\$28.75	\$58.14
1985	\$26.92	\$52.56
1986	\$14.44	\$27.66
1987	\$17.75	\$32.81
1988	\$14.87	\$26.45
1989	\$18.33	\$31.05
1990	\$23.19	\$37.17
1991	\$20.20	\$31.15
1992	\$19.25	\$28.81
1993	\$16.75	\$24.36
1994	\$15.66	\$22.19
1995	\$16.75	\$23.09
1996	\$20.46	\$27.38
1997	\$18.64	\$24.40
1998	\$11.91	\$15.35
1999	\$16.56	\$20.83
2000	\$27.39	\$33.39
2001	\$23.00	\$27.29
2002	\$22.81	\$26.61
2003	\$27.69	\$31.62
2004	\$37.66	\$41.84
2005	\$50.04	\$53.77
2006	\$58.30	\$60.73

<b>CALENDAR YEAR</b>	<b>AVERAGE (NOMINAL)</b>	<b>INFLATION ADJUSTED</b>
2007	\$64.20	\$64.92

Source: Oil and Gas Confidential, "Historical Crude Prices: The Annual Averages of WTI Crude Oil Prices," (March 2008), accessed June 18, 2008, [http://www.oilandgasconfidential.com/Historical\\_Crude\\_Prices.html](http://www.oilandgasconfidential.com/Historical_Crude_Prices.html).

## APPENDIX 9

### THE SYMBOLISM OF DEFEAT: THE PICTORIAL DIFFERENCE BETWEEN THE FATE OF PANAMA'S GENERAL MANUEL NOREIGA AND VENEZUELA'S LIEUTENANT COLONEL HUGO CHÁVEZ FOLLOWING THEIR SURRENDER



Source: Public domain image (Title 17, Chapter 1, Section 105 of the United States code) of General Manuel Noriega's mug shot taken by the United States Marshall Service, (undated), accessed June 21, 2008, [http://en.wikipedia.org/wiki/Image:Manuel\\_Noriega\\_mug\\_shot.jpg](http://en.wikipedia.org/wiki/Image:Manuel_Noriega_mug_shot.jpg). Screenshot of Hugo Chávez's calls for the final surrender of the forces involved in the 1992 Coup d'état attempt against the constitutional government of President Carlos Andrés Pérez on Venezuelan national television (February 4, 1992), aired and produced by Venezuela's Globovisión in "¿Cuál Revolución?" (2004), accessed June 21, 2008, [http://en.wikipedia.org/wiki/Image:Hugo\\_Ch%C3%A1vez\\_%281992\\_Coup\\_Surrender%29.jpg](http://en.wikipedia.org/wiki/Image:Hugo_Ch%C3%A1vez_%281992_Coup_Surrender%29.jpg)

## VITA

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- 2003 – present United States Department of Agriculture – Foreign Agricultural Service, Washington, District of Columbia
- Economist/ International Trade Specialist
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- 2002 United States Department of Defense, Washington, District of Columbia
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- 2002 United States Senate – South Florida District Office of Senator Bob Graham, Miami, Florida
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