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The political economy of the bolivarian decade: institutions, society, and government performance in Bolivia, Ecuador, and Venezuela (1999-2008)

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Abstract

This article hopes to elucidate some specific features of twenty-first century South American political Bolivarianism by underlining the historical and institutional conditions that made the emergence of a Bolivarian conception of political economy possible, a concept supposedly put in practice by the Venezuelan (Chávez), Bolivian (Morales), and Ecuadorian (Correa) governments. Current socioeconomic and macroeconomic data on Bolivia, Ecuador and Venezuela (from 1999 to 2008, approx.) is scrutinized, in order to elaborate, by inductive means, a more accurate evaluation of the overall performance of Bolivarian governments.

Keywords

Political Economy, Bolivarianism, South America, institutions.

Introduction

What does it mean to be “Bolivarian” at the dawn of the twenty-first century? The question arises from the author’s restlessness when faced with the expanding discursive allusions – explicit or disguised – to the South American icon Simón Bolívar, and his supposedly revolutionary character, adopted by some political regimes recently elected by popular vote in our continent. The link between Bolívar’s liberating purposes and the methods employed by these contemporary governments – belonging to leftist, nationalist, and anti-American parties – became common currency in news programs and analyses – although, as I will argue in this article, this alleged connection has yet to be subjected to rigorous academic scrutiny.

Bolivarianism, as a socially disseminated concept, goes back to the twentieth century – the expression was created by Eleazar López Contreras, a general who governed Venezuela from 1936-1941, during an address to the nation, where he stated that “the *bolivarian* ideals constituted the norm that inspired all actions of his government” (Butto; Irwin, 2006). Since then, the concept has attracted followers and became part of the hemisphere’s political fabric. Curiously, however, the concept was not appropriated by a single political orientation throughout the years. López Contreras desired, during his era, to fight Soviet Bolshevism, which was infiltrating the South American continent and its various social segments. The president and his followers were anti-socialists, which implied a “right-leaning” version of Bolivarianism – or, at least, “anti-left.” According to historian Tomás Straka, López Contreras’ Bolivarianism is appropriately described by the praetorian thesis, which states that “the one who inherits the army and founded the nation (...) also inherits the right to (re)found the nation”(Straka, 2003:21).

Given the distance between the conceptual starting point and the so-called state-of-the-art, one of the goals of this article is to observe more closely the characteristics of contemporary Bolivarianism, and in so doing, identify its general and recurring characteristics. Also, it seeks to understand how the combination of specific political, institutional, and socioeconomic elements has impacted the performance of incumbent

governments in Bolivia, Ecuador, and Venezuela (three regimes clearly associated with the current Bolivarian movement). The article's timeframe seeks to cover the "golden cycle" of twenty-first century Bolivarianism — the period starting with Hugo Chávez presidency in 1999 and ending at the beginning of the 2008 global economic crisis (with its depreciating effects on international prices of hydrocarbons and its derivatives). To present this argument, besides reviewing the literature, we interpret the primary data, collected and analyzed, previously, by the UNDP — United Nations Development Programme (2004 and 2007), ECLAC — Economic Commission for Latin America and the Caribbean (2007), IMF — International Monetary Fund (2007), and *Latinobarómetro* (2007).

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1. Rethinking Bolivarianism

1.1. Simón Bolívar's Bolivarianism

Due to the many and diverse types of bolivarianisms that helped construct South America's recent history, it is useful, in heuristic terms, to present (and briefly discuss) some of Simón Bolívar's — *El Libertador* — political ideas. Whenever possible, we will establish intertemporal parallels between *his* bolivarianism and the subsequent ones, in order to compare the different versions of the (supposedly) same ideology.

Ever since he was young, Simón Bolívar was a major player in the struggle for Venezuelan independence, which happened in 1811 (though not in a uncontested or peaceful way, as the battles with Spain would show). Being a rich cacao farmer, Bolívar did not believe in a Spanish project that would lead Gran Colombia (currently Venezuela, Ecuador, and Colombia) to overcome its status of exploitation colony, of provider of primary resources to the metropolis. The same rationale was applicable to the scenario — then, highly likely — of Napoleon Bonaparte winning the wars in Europe and colonizing, by proxy, Spanish America. Inspired by the saga of the American federalists, Bolívar saw propitious social conditions for Venezuelan self-government — or, to use contemporary terms, something that has been called, with some pomp, "self-determination of peoples." Contrary to what recent versions of Bolivarianism claim, "the Liberator" was not anti-American.¹ He respected, if not admired, the United States' political trajectory. He referred to the Founding Fathers of the American nation as "benevolent visionaries," in a condescending critique of the supposed naiveté of the "fantastical experiments" they started (Bushnell, 2001).

Bolívar hinted at his preference for a unitarian and centralizing government when he rejected applying the federative model to Venezuela. In his vision, the disrupting forces still had a strong presence in the territory, and the gran-Colombian provinces, part of the new independent State, were still not integrated by an effectively national political project (Bushnell, 2001; Deas, 2001). For Bolívar, an adequate government would be one that,

[t]hough republican on the outside, would hinder the disorderly instincts of the common people through *limited suffrage, a strong executive, and a hereditary senate*, coupled with a 'moral power' constituted by prominent citizens who had the special function of promoting education and good manners. It was an extremely conservative statement, and it summarized the permanent characteristics of Bolívar's political thought" (Bushnell, 2001: 167, our emphasis).

The mix of nineteenth-century aristocratic republicanism with the desire to repress domestic convulsions was a characteristic of the original Bolivarian ideology. It was necessary to curb excesses in the name of stability and the established authority. So much so that Bolívar, the drafter of the first Constitution of Bolivia, inserted a mechanism that allowed the president to establish lifelong rule and the power to name his own successor.

In other words, the presidents would practically be the equivalent of a monarch, even though his was not a “nobiliary.” The aspect of concentration of powers in the Executive was anathema to Montesquieu’s and Thomas Jefferson’s liberalism. However, from a historical perspective, the hypertrophy of the institution of the presidency of the republic, openly defended by Simón Bolívar, helps explain some facts and versions which are directly related to the emergence and crystallization of the twenty-first century Bolivarian model.

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Regarding societal organization, there is historiographical record of Simón Bolívar’s desire for strict equality among citizens or the establishment of a socialist order, be it communist or something similar. After independence, power would be held by a small educated elite, since suffrage was restricted to literate individuals (a very demanding precondition in rural society). Slavery would be abolished slowly – in 1830, there were still 45 thousand slaves in the territory of Gran Colombia. For Professor Malcolm Deas, it would be a great anachronism to imagine that a Latin-American independence leader would have fought for an egalitarian rural order (Deas, 2001: 513).

In sum, the movement of Latin-American national liberation in the nineteenth century was, above all, a process conducted from “above” and had nothing in common with the popular revolutions (especially the Soviet and Chinese) of the twentieth century.

1.2. Contemporary Bolivarianism

Hernán Gruber Odremán (2003), one of the “neobolivarians” we will discuss here, is an emblem of a style of thought common among the Venezuelan military reserve,² for whom the principles of Bolívar should be used in the struggle against the threat symbolized by the United States, by the IMF, and by the perverse – as they see it – combination of globalization and neoliberalism. According to the author, these factors should have been able to provoke a *criolla* military reaction similar to the one originally conceived to fight Bolsheviks in the twentieth century or to placate the Spanish reaction to Venezuela’s independence in the nineteenth century. Hence, the insistence in López Contrera’s discourse and the historical and conceptual analogy with Simón Bolívar.

Another strand of Bolivarianism is the one championed by authors such as Darwin Pazmino and Heinz Dieterich Steffan. Pazmino (2003) is the articulator of a Bolivarianism centered on the notion of “panadinitism.” Somewhat contradictorily, he leaves out Bolívar’s pan-American plan – originally described in the 1815 *Carta de Jamaica* and then later at the 1826 Antifictitious Congress of Panama – to suggest the creation of a great Andean state, encompassing Peru, Bolivia, Venezuela, Colombia, but excluding Chile. In his formulations, Pazmino urges the “true” Bolivarians to eat only national foods, listen only to regional music, and wear only clothes made with native textiles. It is an extreme appeal to a certain Bolivarian *activism*.

Steffan (1996), an academic who served as adviser to president Hugo Chávez, defines the bolivarian individual as a “new citizen, possessing a national, republican, and Latin-American conscience (...), responsible for upholding the bolivarian ideal for all his life” (*apud* Butto; Irwin, 2006). Given Steffan’s proximity to the government, it seems reasonable to assume that the author voices the theoretical concept that permeates the chavista government. In his most debated work – *The 21st Century Socialism* – Steffan defends the viability of a model of political management based on direct democracy, with the full participation of the body politic in governmental decisions. His proposal harks back to interpretations of the ideas of Georg W. F. Hegel, Karl Marx, and Antonio Gramsci – as is suggested by, for instance, the summoning, throughout the narrative, of analytical categories such as “domination and emancipation,” “bourgeois institutionality and value of work” or “regional bloc of power.”

At the end of the last century, the Bolivarian myth, dressed up as chavism, resurfaced in South America. Even though it is a political ideology distant from the one it was inspired by, bolivarianism was strategically important for the political separation promoted, rhetorically, by Hugo Chávez,³ Venezuelan president, to then spread regionally – eventually shaping the discourse of the current presidents of Bolivia, Evo Morales, and Ecuador, Rafael Correa. Also identified with the rise of the “radical” left (Castañeda, 2006; Amann, 2006), “populism” (Panizza, 2006; Lanzaro, 2006) or “anti-imperialism” (Yeros, 2006), the phenomenology of the process includes, among others, an aggressive foreign policy orientation in its means and purposes; initiatives to nationalize primary resource and multinational companies; hostilization of international powers, multilateral banks (IMF and World Bank), and, especially, the United States; harshly critical of the liberal format of representative democracy and of local oligarchies; disregard for the so-called individual liberties and civil rights; a “21st century socialist” agenda, with an increase in governmental social spending; constant challenges to the principle of constitutionalism and the “*pacta sunt servanda*”; and a turbulent relationship with the media (Belém Lopes, 2008; Sanjuan, 2005).

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We will discuss below what are the institutional and socioeconomic characteristics of this typically South American hybrid – 21st century bolivarianism.

2. The political economy of Bolivarianism: comparative factual analysis of Bolivia, Ecuador, and Venezuela

Before evaluating the performance of the incumbent governments of Bolivia, Ecuador, and Venezuela (henceforth BEV), it would be prudent to analyze the main political institutions of these States. They consist of three presidential republics with a horizontal division of powers.⁴ With regard to the original constitutional attributions, Venezuela is a federation⁵; Bolivia and Ecuador are considered unitarian States. Unlike Ecuador and Venezuela, Bolivia has a bicameral legislature. There is no single party monopoly in any of the three countries – which has been causing, especially in Bolivia and Ecuador, great ministerial instability. Party pluralism is the norm in all countries, with an average of 4.3 consolidated parties in Venezuela, 4.6 in Bolivia, and 6.2 in Ecuador during the period of 1989-2002 (Anastasia, Melo e Santos, 2004; Amorim Neto, 2006).

Concerning the Executive Branch, only in Ecuador does the president have the power to issue constitutional decrees. The Ecuadorian president also has the constitutional powers of urgency, exclusive legislative initiative, and budgetary power. The Bolivian and Venezuelan presidents, compared to their Ecuadorian equivalent, have exclusive initiative and budgetary power. All three have veto power over the legislative. This veto can be overridden, however, by 2/3 of Congress in Bolivia and Ecuador and $\frac{1}{2} + 1$ in Venezuela (*idem; ibidem*).

By looking into the indicators that measure the quality of democracy in these three countries, we observe a convergence in Ecuador’s and Venezuela’s trajectory. According to the UNDP (2004), after decades with the maximum score in the electoral democracy index (IDE⁶), Ecuador and Venezuela saw that number plummet at the beginning of the century to, respectively, 0.75 and 0.67 (average of 0.93 and 0.97 between 1990-2002). Bolivia did not experience this qualitative decline, and maintained its 1.0 score (average of 1.0 between 1990-2002). This decline happened because both Venezuela and Ecuador had presidents removed from office (or who took office) by methods considered unconstitutional.⁷ The subjective perception the national populations have of the democracy practiced in their countries is significantly different from the picture that emerges as a result of UNDP’s data, as observed in the tables below.

TABLE 1 – “Are the following liberties protected in your country?” (% of sample, answer: “yes”)

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Civil and Political Liberties (base year: 2007)

	Freedom of worship	Choice of profession	Political participation	Freedom of expression	Gender Equality	Private property
Bolivia	66	68	56	53	57	43
Ecuador	61	48	44	36	39	32
Venezuela	73	74	70	65	72	57
Latin Am.	76	65	60	55	53	43

Source: Latinobarómetro (2007: 65).

TABLE 2 – Evolution of support and satisfaction with democracy (% of sample)

	Support of democracy (comparison between 2007 and 2006)	Satisfaction with democracy (comparison between 2007 and 2006)
Bolivia	67 - 62 = +5	41 - 39 = +2
Ecuador	65 - 54 = +11	35 - 22 = +13
Venezuela	67 - 70 = -3	59 - 57 = +2
South America and Mexico	55 - 58 = -3	36 - 38 = -2
Latin America	54 - 58 = -4	37 - 38 = -1

Source: Latinobarómetro (2007: 80).

TABLE 3 – Attitudes towards the government and president in 2007 (% of sample)

	Approval of current government	Trust in current government	Trust in current president
Bolivia	60	52	53
Ecuador	74	41	52
Venezuela	61	66	60
Latin America	51	39	43

Fonte: Latinobarómetro (2007: 90).

According to the Venezuelan and Bolivian population surveys (base year 2007), civil and political liberties are, generally speaking, protected in their countries. While Bolivia had average numbers when compared to the Latin American ones, Venezuela had the highest positive percentages in the region. Sixty-seven percent of the population in these three countries supported democracy – a number considered high, since the Latin American average is 54%. Also, 59% of Venezuelans and 41% of Bolivians declared themselves satisfied with the democratic regime, while the Latin American average was 37%. The Venezuelan and Bolivian approval of their respective governments and presidents was also above the Latin American average, as shown by Table 3.

The most worrisome self-evaluation, with regard to civil and political rights, was the Ecuadorian. If a democracy defines itself, according to liberal criteria, by the protection of these “liberties,” we would have reason to doubt Ecuador’s commitment to a democratic political regime. However, Table 2 shows growing popular support for democracy (11 point

increase for support for democracy, compared to 2006) and increasing satisfaction with its results (growth of 13 points, compared to 2006). The majority of the population (52%) trusted president Rafael Correa; his administration had a 74% approval rating in 2007.

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Supposedly, the contrast between political scientists' version – which diagnosed instances of “democratic deficits” in countries of the region (Coppedge, 2005; Sanjuan, 2005; Castañeda, 2006) and the national population's own evaluation of the state of democracy in Bolivarian regimes suggested, if nothing else, the incompatibility between the different criteria utilized in the analyses of local political processes. Certain nuances seem to escape the procedural or electoral approach of the phenomenon.

The socioeconomic indicators of the three bolivarian countries also allows us to group them according to the traditional classification of the UNDP's (2007) Human Development Index (HDI⁸), as shown in Table 4.

TABLE 4 – Socioeconomic indicators

	HDI	Life expectancy (in years)	Literacy rate (% of adults)	Gross income <i>per capita</i> (PPP US\$)	Ranking
Bolivia	0.695	64.7	86.7	2.819.00	117°
Ecuador	0.772	74.7	91.0	4.341.00	89°
Venezuela	0.792	73.2	93.0	6.632.00	74°
Latin America	0.803	72.8	90.3	8.417.00	~ 70°
OCDE	0.916	78.3	-	29.197.00	~ 28°

Source: UNDP (2007).

BEV were considered countries with “medium human development” ($0,8 > \text{HDI} > 0,5$) according to the UNDP's typology. Their indicators were, in general, worse than the regional average. Despite the similarities between them, there is considerable heterogeneity within the group: an average Venezulean has an annual income 150% higher than a Bolivian, and 50% higher than an Ecuadorian; the Ecuadorian lives 10 years longer than the Bolivian, and one and a half years longer than the Venezulean. When compared with member countries of Europe's Organization for Economic Cooperation and Development – OCDE, which are considered to have a “high human development,” global socioeconomic disparities surface. The average annual income of an Italian citizen, for example, was 10 times higher than an Ecuadorian's; and almost 5 times higher than a Venezuelan's (UNDP 2007).

From a commercial perspective, a few things stand out. First, the low level of export diversification and the hydrocarbon dependency of the three countries (especially petroleum and derivatives and natural gas). In 2005, the “hydrocarbon market” accounted for 48% of Bolivian exports, 58% of Ecuadorian exports, and 87% of Venezuelan exports (ECLAC, 2007). These numbers show the historically fragile position these countries have in relation to central economies and oscillations in the international commodities market. From a domestic perspective, the dependency on hydrocarbons has been accompanied by a low level of investment in local industries, as well as having incipient resources used to build up fixed capital, which are symptoms of the economic dysfunction know as “Dutch disease.”⁹

In the emblematic case of Chávez's Venezuela – the president since 1999, in his third mandate – we observe, in accordance with his political discourse, an increase in government spending during the first years of his mandate. Converting to current prices, it went up from US\$ 14.6 billion to US\$ 19.7 billion – approximately 35% increase between 2000 and 2005. During the same period, Venezuela's foreign debt increased. In today's dollars, it went from US\$ 11.6 billion to US\$ billion – a 70% increase. The foreign debt is also

explained by capital flight: foreign liquid investment (FLI) in 2005 had a negative balance of US\$ 99 million. This is a significant piece of information given that, between 2000 and 2005, foreign liquid investments in Latin America and the Caribbean increased 138% (in 2005 alone, the regional current account balance was US\$ 49.2 billion). Despite the imbalance of Venezuela's economy, its internal financial situation was not worrisome in 2007 because of the US\$ 25 billion current account surplus in 2006, caused by the increase oil prices (*idem*).¹⁰

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TABLE 5 – Popular evaluation of country's economic performance, in 2007 (% of sample)

	How do you qualify the country's current economic situation? (only: "good" or "very good")	How will the economy be in the next 12 months? (only: "much better" or "a little better")	How will your family's economic situation be in the next 12 months? (only: "much better" or "a little better")
Bolivia	20	36	49
Ecuador	26	29	43
Venezuela	52	60	61
Latin America	21	31	46

Source: Latinobarómetro (2007: 17-20).

While the popular economic evaluation in Bolivia and Ecuador was on par with the regional average, the economic optimism in Venezuela was remarkable. More than half of the population thought the national situation was "good" or "very good" and 60% believed that it would get even better the following year. We also observe that the environment in Bolivia was more positive than in Ecuador, as 37% of Bolivians (versus 29% of Ecuadorians and 31% of Latin Americans) believed the country would improve in a year's time. The Venezuelan optimism was justified, in large part, by the economic performance of the Chávez government starting in 2004, measured by the variations in the country GDP (see Table 6).

The data below shows that inflation control was already a serious issue in 2008. Economic growth coupled with increased government spending made it difficult to restrain "demand inflation" (excess of monetary circulation in the market). Consumer prices increased 19% in Venezuela and 13% in Ecuador – partially cancelling the positive spiral of economic growth.

TABLE 6 – Macroeconomic indicators*

Country	Scale	Escala	2004	2005	2006	2007	2008
Bolivia	GDP, constant prices	%	4.2	4.0	4.6	3.9	5.4
Bolivia	Inflation	%	4.4	5.4	4.3	8.5	13.3
Bolivia	Population	Millions	9.227	9.427	9.627	9.828	10.028
Bolivia	Current account balance	%	3.8	6.5	11.7	15.1	9.9
Ecuador	GDP, constant prices	%	8.0	6.0	3.9	2.7	3.4
Ecuador	Inflation	%	2.7	2.1	3.3	2.1	2.3
Ecuador	Population	Millions	13.027	13.215	13.540	13.730	13.922
Ecuador	Current account balance	%	-1.7	0.8	3.6	2.4	2.5
Venezuela	GDP, constant prices	%	18.3	10.3	10.3	8.0	6.0
Venezuela	Inflation	%	21.7	16.0	13.7	18.0	19.0
Venezuela	Population	Millions	25.910	26.430	26.960	27.500	28.050
Venezuela	Current account balance	%	13.8	17.8	15.0	7.8	4.1

Source: International Monetary Fund (2007). | * The 2007 and 2008 data are estimates done by IMF staff.

TABLE 7 – Economic mentality, in 2007 (% of sample)

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Question	Bolivia	Ecuador	Venezuela	LA
An efficient person should make more money? (answer: "I think that is fair")	56	46	38	50
Was privatization beneficial for the country? (answer: "I agree")	43	45	47	35
Is the market economy the best option? (answer: "I agree")	57	44	49	52
Is the market economy the only suitable system for developing the country? (answer: "I agree")	54	40	41	47
Can the state solve all problems? (answer: "yes, all problems")	29	38	67	38
Are private companies indispensable for development? (answer: "I agree")	51	43	61	56
Is the country's distribution of wealth fair? (answer: "fair" or "very fair")	30	22	55	21

Source: Latinobarómetro (2007: 23-37).

When it comes to the economic ideas of its citizens, there are many contradictions in BEV. First: Venezuela, a country with a high Gini coefficient (0.482), is believed to be a country with a fair distribution of wealth by 55% of its population.¹¹ In Bolivia, the country with the highest income concentration in the Americas and having the 5th highest Gini coefficients in the world, 30% of the population considers its income distribution to be "fair" or "very fair" – a number higher than the Latin American average of 21% (UNDP, 2007; Latinobarómetro, 2007).

Another contradiction involves the existence of a socialist project for Bolivarian societies. Take for instance the case of Bolivia: when asked if the market economy was the only system suitable for advancing the country's development, 54% of Bolivians agreed. Also, 57% agreed with the proposition that a market economy is "the best option." Fifty-six percent think the meritocratic system, which dictates that an efficient person should earn more than an inefficient one, is appropriate; and only 29% believe in the state's capacity to resolve all social and economic problems. The greatest reluctance in acknowledging the virtues of the free market is found in Venezuela. Still, 61% of Venezuelans agree with the idea that private enterprises are essential for the development of the country; and 49% agree with the statement "a market economy is the best option." On the other hand, 38% believe it is fair for an efficient worker to be paid more and 41% agree that a market economy is the only suitable choice for development. Unlike Bolivia and Ecuador, the majority (67%) of the Venezuelan population believed the state could resolve national problems (Latinobarómetro, 2007).

It is worth noting the opinions of the population BEV on the privatization of state companies. Against the statist/socialist trend, 43% of Bolivians, 45% of Ecuadorians, and 47% of Venezuelans approve of the privatizations done by the governments, considering them beneficial for their countries. The numbers in Bolivarian countries are surprising, especially if compared with the Latin American average of only 35% approval (*ibid*). It seems unlikely, therefore, to find a significant level of correlation and coherence between the data analyzed and popular opinions.

3. An attempt to resolve the argument

Political economy is usually characterized by the incorporation of the social conflict sphere into the analysis the economic activity of the state. Through the analysis of

data on the Chávez, Evo Morales, and Rafael Correa governments — here considered representatives of a typically South American political movement — I suggest that there are certain aspects common to BEV, which constitute a Bolivarian profile of political economy. They are:

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1. The emergence of leaders with great popular appeal in BEV is probably caused by the weakness of national political institutions. Due to the low level of party institutionalization in these countries,¹² there is no “routinization of charisma” (Weber, 2005). This means that the type of relation of political domination that happens in these societies is heavily based on charisma, on the cult of personality (see the high levels of trust in presidents). The hypertrophy of Executive powers, coupled with the historical instability of ministries, leads the president to utilize mechanisms of authority self-reinforcement in order to stay in office. What arises is a temptation to break with the “rule of law” and the subsequent margin of licentiousness of the Executive, which will then govern through supra-institutional means. The process is identified in the literature as populism (or neopopulism¹³), when the governing authority gives itself the responsibility of taking care of the “people,” and speaks in a manichean fashion in the name of the “people,” *against* the interests of an “elite,” of a mobilized — and supposedly antidemocratic — political group (Hawkins, 2003). According to Francisco Rodríguez, macroeconomically, this populism is characterized,

[b]y the use of expansionary fiscal and economic policies and an overvalued currency with the intention of accelerating growth and redistribution. These policies are commonly implemented in the context of a disregard for fiscal and foreign exchange constraints and are accompanied by attempts to control inflationary pressures through price and exchange controls. The result is by now well known to Latin American economists: the emergence of production bottlenecks, the accumulation of severe fiscal and balance-of-payments problems, galloping inflation, and plummeting real wages (Rodríguez, 2008).

2. The insufficiency of liberal criteria to comprehend the singularity of the democratic phenomenon in the so-called bolivarian states is evidenced by the contradiction between the UNDP’s (2004) — and other organisms — analysis and the subjectivity of citizens (Latinobarómetro, 2007). The disconnect between the two versions ignites the controversy regarding “quality of democracy,” and the ethnocentric weight that certain opinion polls can bring to the table. An unprejudiced evaluation of the declared public behavior of BEV citizens could show the existence of democratic potential and civil-political liberties beyond the conventional ones surveyed by liberal analysts.

3. The data shown in the tables reveal the good recent economic performance of Bolivarian countries, compared to the region and the rest of the world. Even though there was an increase in international commodity prices, the economic policies adopted by recent governments deserve some merit for this growth (generally speaking, in tune with the orthodox recommendations of multilateral banks). We should point out the successful effort to control inflation in Bolivia, Ecuador, and especially Venezuela, which reduced its inflation rate — from 20.000% in 1985 to less than 20% in 2007. Popular approval of the economic management of these governments is, indirectly, an acknowledgement of their positive performance (see Table 5). Nevertheless, there are still wealth distribution conflicts, which are affected by region and ethnicity (especially in the Bolivian and Ecuatorian cases). They remain because increases in national wealth does not necessarily lead to an increase in *per capita* GDP. The problem of hydrocarbon export dependency hydrocarbon in BEV also persists.

4. The market economy is welcomed by Bolivarians, as is neoliberalism. This is the conclusion we derive from the evaluation of the BEV citizens' opinions as well as the political actions of its governments. Privatizations had popular support, despite recent nationalization initiatives (especially in the hydrocarbon sector). Even cases of nationalization of multinational companies (for example, the military occupation of Petrobras headquarters in 2006 by Evo Morales) did not hinder private foreign capital in the country. Also, private companies are considered crucial for development, according to 51% of Bolivians and 61% of Venezuelans. In Chávez's government, the majority of companies are small and micro (Hawkins, 2003). This interesting scenario led professor Edmund Amman to create the expression "Bolivarian market alternative" to describe the mode of production employed in Venezuela – which can be, in many aspects, applicable to Bolivia (Amman, 2006: 16). As we have seen, there is not much space for a genuine "21st century socialism" to blossom in this part of the world.¹⁴

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5. Globalization and its effects forced the integration of bolivarians throughout the world. Since their economies are open and export oriented – especially the export of petroleum and natural gas – BEV invested heavily in presidential diplomacy and international trips (see the worldwide commitments of Chávez, Morales, and Correa). Unlike the socialist regime in Havana, bolivarian countries are completely immersed in the web of international commercial relations. The outspoken anti-imperialism of bolivarian leaders has not been accompanied by an isolationist attitude or an attempt to reform international institutions. BEV is still part of the main international organizations (UN, WTO, IMF, World Bank) and has participated in international, regional (Mercosul, Andean community, ALBA, Unasul), and supra-regional cooperation. Bolívar's panamerican slogan – "Spanish America for Hispanic Americans" – does not apply to contemporary Bolivarianism.

Brief final considerations

If there is a parallel between the bolivarianism of Simón Bolívar and the current presidents of BEV, it is that both belong to a secular Latin American tradition of anti-imperialist discourse. In the case of Bolívar, the evident historical references are the wars of independence against the Spanish empire; in the case of Chávez, Morales, and Correa, the fight is against an enemy which, not being quite as immediate or concrete, will vary according to the circumstances – sometimes it will be the "American empire," sometimes the "capitalist system," sometimes the old oligarchies, sometimes the IMF or World Bank. The intergenerational closeness is also a factor if we consider past and present bolivarian leaders as practitioners of a certain political cesarism, which has deep roots in the continent. In any other hypothesis, the attempt to apply the bolivarianism of the beginning of the 19th century to the present context would seem to be an incongruous idea. But this can be the subject of another article, one with a greater span and historiographical stamina. The discussion is way beyond the modest intention of this work.

With the undeniable benefit of having the perspective of someone who is writing in the second decade of the 21st century, I should note that, as a direct or indirect consequence of the fragility shown by the political institutions and the export sector of bolivarian economies since 2008, other worrying issues came to light and had to be faced by the incumbent governments.¹⁵ The desirability and diffusion capacity of a public administration model, which until recently was high in Latin America, is clearly declining. With governmental practices that combine macroeconomic orthodoxy (fiscal responsibility, central bank independence, fluctuating exchange rate) with daring social

policies¹⁶ advancing in the continent, the political economy of bolivarianism is losing followers even in its most traditional enclaves.¹⁷ What I suggest is that Bolivarianism is, very probably, a phenomenon that is not only spatially confined, but also dated.

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Notes

1. "Bolívar was a Venezuelan aristocrat who inherited estates and mines. He was a man of the Enlightenment, a reader of Adam Smith and John Locke as well as of Voltaire and Rousseau. He was an economic liberal who freed his own slaves, but a political conservative. He believed the new republics needed strong government. *He admired the United States, although he feared its potential power. He was a devoted Anglophile—hardly the attitude of an 'anti-imperialist'*" (The Economist, 2008, our emphasis).
2. It is worth remembering the origins of *chavismo* and the historical importance of the Bolivarian Revolutionary Movement (MBR-200). Cf. Hawkins, 2003.
3. Due to the change in the official name of the Venezuelan state, which is now called, after the promulgation of the 1999 Constitution, *Bolivarian Republic of Venezuela*.
4. There are three branches of power (Executive, Legislative, and Judiciary) in Bolivia and Ecuador; and five in Venezuela (Citizen and Electoral, plus the three traditional ones).
5. Curiously, a political power configuration dismissed by Simón Bolívar (see section 1.1 of the article).
6. The SDI-UNDP's approach (2004) is procedural: for the index, what matters is knowing if the country as the following four elements: (a) universal suffrage; (b) clean elections; (c) free elections; and (d) access

to public office via elections. If all elements are presents, a regime is deemed electorally democratic (cf. Belém Lopes, 2007). 290

7. Since 1997, Ecuador has had 3 presidents who have not finished their terms ((Bucaram Ortiz, Mahuad, and Gutiérrez), removed from office by supra-legal or semiconstitutional means. The recent history of Venezuela is marked by the frustrated coup against president Hugo Chávez Frías in 2002 and by his return to power soon after.

8. Index created by the Pakistani economist Mahbub UI-Haq in order to integrate the distinct dimensions of the development phenomenon – the study of which was confined, for along time, to macroeconomic performance indicators.

9. A reference to the discovery of natural gas in the Netherlands in the 1960s and the subsequent precocious deindustrialization of the country.

10. The oil barrel price in the international market went from approximately US\$ 20 in 1990 to US\$ 120 in 2006 (cf. Friedman, 2006).

11. Between 2000 and 2005, the coefficient went from 0.44 to 0.48 (Rodríguez, 2008). According to the Gini index, the concentration of wealth increased in the country.

12. Party institutionalization which could be “measured, essentially, in two spheres: 1) the degree of *autonomy* of the environment the organization developed; 2) the degree of *systemicity*, of interdependence among the diverse parts of the organization” (Panebianco, 2005: 103, original emphasis).

13. Vilas (2004) notes the emergence of “neopopulism” in Latin America in the 1990s: a mixture of traditional populist practices (charismatic domination, supra-institutional government methods, manichean discourse) with the adoption of so-called orthodox economic measures (normally grouped under the moniker “Washington Consensus”) and market-oriented structural reforms. See the cases of Mexico and Salinas Gortari, Brazil and Collor de Melo, Argentina and Menem, Peru and Fujimori, among others.

14. For comparison’s sake, it seems valid to bring up the example of the political economy adopted by Chile’s Salvador Allende in 1973. Among the measures carried out by the president, we should mention the complete nationalization of copper mining in the country, the agrarian reform, and the forced nationalization of private companies, as well as fiscal and monetary expansion. From a comparative perspective, Allende’s socialist economic program was much deeper than what we see today in BEV (cf. Maddison, 2006: 154).

15. Hugo Chávez’s death, Evo Morales’ political weakening in some Bolivian districts and the coup d’état attempt against Rafael Correa in Ecuador might account for some of the difficulties bolivarian leaders are currently facing.

16. A model of which Brazil is, certainly, the most influential representative today.

17. Reference to the option of president Ollanta Humana, recently elected in Pery, for a non-bolivarian political discourse. Cf. Juan Arias, "Ollanta Humala, El Lula Peruano", *El País*, 27/07/2011. Available at: http://www.elpais.com/articulo/internacional/Ollanta/Humala/Lula/peruano/elpepu/20110727elpepuint_8/Tes; Accessed on 05/10/2011. 291

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