

# **What to Do About Venezuela**

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### Introduction

Among the more troubling legacies Secretary of State Condoleezza Rice has inherited is one of neglect towards the Western Hemisphere, a legacy that has seriously diminished the United States' stature and influence in most of the Americas. This is due, in part, to the self-imposed abdication of the Nation's hemispheric security obligations. Secretary Rice has signaled by her recent trip to the region and a major address on the subject delivered today that she intends to address the problem – and not a moment too soon.

Today, Washington's friends in Latin America stand isolated, disillusioned, and bewildered. At the same time, the foes of freedom are advancing their objectives in our hemisphere with an effectiveness unseen since the presidency of Jimmy Carter in the 1970s. Lack of a coherent U.S. strategy toward the region since the end of the Cold War, no less so since 2001, has allowed other actors to enter and dominate the scene.

These actors range from old, obsessed figures like Cuban dictator Fidel Castro and warmed-over '70s terrorists-turned-politicians like Nicaragua's Daniel Ortega, to Carter himself, whose continued international work certifying election results has provided essential political cover to anti-democratic forces in the region. Indeed, it might be said that over the past four years, Jimmy Carter has been the most visible and arguably most influential U.S. leader in Latin America.

Nowhere is the lack of a U.S. strategic approach to the Western Hemisphere more evident than in the unchecked rise of a self-absorbed, unstable strongman in Venezuela, Hugo Chavez, who has made common cause with terrorists and the regimes that support them, and has developed a revolutionary ideology that has begun to plunge the Americas again into violence and chaos. It is necessary for the democratic nations of the hemisphere to come together and stop this rising threat to peace before it is too late.

### Evolution of an Aggressive Dictatorship

**Morphing Bolivar.** The revolutionary dictatorship of Venezuela set down its roots in 1999 after, an army mutineer who had led a bloody failed coup in 1992 against the democratically-elected government, was elected president on a populist platform. Venezuela's political and economic systems were so corrupt that its major parties had lost public confidence,

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creating the opportunity for a demagogue to promise to clean house and redistribute wealth to the poor.

Renaming the country the “Bolivarian Republic of Venezuela,” the new president introduced a new ideology, “Bolivarianism,” as a political construct and legitimizing belief, combining forms of Maoist and Castro-style Marxism-Leninism with a nationalist populism. The latter was centered around a severely distorted caricature of Simon Bolivar, the 19<sup>th</sup> century liberator who delivered South America from Spanish domination, combined with a bias and cultural appeal to take advantage of the plight of indigenous peoples.

**Four main phases toward dictatorship.** Since becoming president in 1999, the mutineer has moved the country through four principal phases:

- First, he invalidated the existing constitution (in force since 1961) using illegal and pseudo-legal means and had his supporters write a new constitution (1999).
- Second, under the new constitution, he made himself eligible to be president for two six-year terms and abolished one house of the congress, giving himself predominant federal powers.
- Third, he began his “social revolution” in 2001 by using presidential decrees to begin confiscating private property and taking full control of the education of Venezuela’s youth along rigid ideological lines.
- The fourth phase has included covert meddling in the internal affairs of other South American countries, political repression, use of torture against opponents, and the use of all government agencies and budgets to serve the revolution. Indeed, the Venezuelan president has repeatedly said that his only goal is to assure the indefinite continuation in power of his “Bolivarian Revolution.”

**Nasser/Ba’athist redux.** The evolving Venezuelan dictatorship is unlike the ones to which the region has long been accustomed. In a manner reminiscent of the Nasserite-Ba’athist United Arab Republic (UAR) of Egypt and Syria (1958-61), the Venezuelan regime is in a state of permanent revolution. Every key institution in government and in civil society (and it is important to remember that Venezuela was the first and most stable democracy in the Spanish-speaking world) has been replaced by a revolutionary institution fulfilling a similar function. Every element—the country’s judicial framework, military establishment, educational system, labor unions, government departments, currency boards, police forces, banking structures—has been revolutionized. Only the Catholic Church remains outside of the government’s control.

**Systematic violation of constitution.** The government has systematically violated the national constitution it drew up itself in 1999, starting when it stacked a constituent assembly to

usurp the powers of the elected congress and the supreme court.<sup>1</sup> It has ceased funding any political parties save its own, the Fifth Republic Movement (MVR), which has become an organ of the state and routinely uses the country's resources. Beyond MVR, the government has created extra-constitutional private paramilitary mobs called "Bolivarian Circles" that routinely threaten, beat and even kill political opponents. The government has recently equipped, armed, and sworn in a new "reservist" army of citizen revolutionaries to act as guarantors of the revolution and act as a check to the military establishment. It has stripped the regime's critics of basic human rights and driven hundreds of them into exile. It is squeezing the life out of the remaining pro-democracy opposition movements, even charging their leaders with "treason," "rebellion," and "disobedience."

**Rhetoric sets policy.** Many analysts have viewed the Venezuelan president as a leftist version of the traditional Latin American military strongman—a 21<sup>st</sup> century Juan Domingo Perón. This analysis is profoundly flawed. Anti-American rhetoric and proto-Leninist sentiments may long have been tools for electoral or domestic purposes throughout Latin America. In the case of today's Venezuela, they are from the get-go a formal part of the regime's policy as well as instruments for advancing its nationalist agenda.

This assessment is borne out by the facts. In June of 1994, upon his release from prison after his failed coup, the then-cashiered lieutenant colonel traveled to Havana where he received a hero's welcome from Fidel Castro himself. This man—defeated, fresh out of prison, broke and with no political support of any kind—was given the treatment reserved for a visiting Head of

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<sup>1</sup> In April 1999 Chavez called a referendum to decide whether a Constituent Assembly should be convened to write a new constitution for Venezuela. Only 39 percent of the electorate voted. So we begin with a new constitution being drawn up on a majority vote of 39 percent of the electorate.

In July 1999, the leader called elections to choose the delegates for the Constituent Assembly. As a result of some degree of competition, voter turnout increased to 54%, and the groups opposing the regime received 38 percent of the votes compared to the 42 percent for the pro-regime slates of candidates. Nevertheless, by some process of political alchemy virtually ignored by the foreign press, the pro-regime 42% of the votes was translated into their receiving 93 percent of the seats in the Constituent Assembly while the opposition parties received only 7 percent of the seats. The lie, repeated thousands of times, of the overwhelming support for the democratically elected dictator is there if one scratches the surface.

In August 1999, the Constituent Assembly assembled and immediately took actions to neutralize and usurp the authority of the existing judiciary and of Venezuela's elected Congress. The Venezuelan Supreme Court, having been subjected to open coercion, by regime supporters, reversed an earlier decision and ruled that the Constituent Assembly could declare a "judicial emergency" and establish its own group to "review and evaluate" all existing judges. The head of the Supreme Court resigned in protest and ALL judges were then replaced. Two weeks later the Constituent Assembly, in violation of the existing constitution, declared a "legislative emergency" and *forbade the elected national Congress from meeting*. From that time on, the elected national Congress was sidelined; this marked the regime in fundamental violation of the Venezuelan constitution and as antidemocratic.

The new constitution written by regime supporters was submitted to a referendum in December 1999 and voter turnout was 45 percent. The new constitution was approved by 72 percent of those voting, who in turn accounted for about 30 percent of the electorate.

State. Castro was welcoming an old friend—an ally of many years who had provided valuable help and who held great promise for the future.

**Clear objective: The undermining of all civil and democratic institutions.** Since his first election in 1998, the Venezuelan president has openly and repeatedly explained his objectives. A representative example of this was a nationally broadcast speech in September 2002, where he admitted publicly that he had never been a soldier, but a revolutionary hiding inside the army, working for the revolution until the right opportunity came along. He has narrated the story of how he kept in close contact with Venezuela's key communist intellectuals and activists while rising through the ranks of the Venezuelan army. He has explained how they gave him books to read and how they stayed up long nights exchanging views and talking about the eventual revolution. The president admits he was an expert mole placed within the Venezuelan army with the purpose of undermining it and eventually neutralizing it as a counter-revolutionary force.

These admissions provide an understanding of the Venezuelan government's skilled political manoeuvring during the past six years. The regime has undermined all Venezuelan institutions. This has been achieved, in no small measure, thanks to its cynical grasp of how and when to conceal its true purposes – especially when public opinion turned against the president's most transparently authoritarian tendencies. The Venezuelan government has pursued, from the outset, a dual strategy of “photo-op cordiality” with democratic leaders of the hemisphere while seeking to dominate the domestic Venezuelan scene and propagate revolutionary ideology throughout the Americas.

**State Department figure gave green light to Caracas.** The current administration's policy on Venezuela was designed by John Maisto, U.S. ambassador to the country under President Clinton and director for hemispheric affairs on President George W. Bush's National Security Council. It amounts to: “Watch what they do, not what they say.” But the key to understanding the Venezuelan government and the threat it represents for the region is to understand that it means what it says -- and it says what it means. The fact that there may be a time lag between a revolutionary statement and corresponding action by the Venezuelan governmental provides poor justification for ignoring the march to autocracy in Venezuela.

**Venezuela is unlike other leftist governments in region.** The Venezuelan strongman's conduct has now become an international issue. Were it merely a matter of socialist or populist domestic policies and anti-U.S. rhetoric – a staple of Latin American politics for three generations – Washington might be able to get away with conducting business as it has (and does) with so many other countries in the region. But Venezuela stands in stark contrast to the leftist leaders of Argentina, Brazil, Chile, and Uruguay. While there are reasons for concerns about these leaders' own residual extremism, they have not, to date, behaved like dictators committed to exporting revolution.

**Destabilization of other democracies.** The Venezuelan government has extensive funding ties to destabilizing forces in Bolivia, Colombia, Ecuador, and Nicaragua, countries

teetering on the edge of political and social turmoil, or worse. Venezuela's instruments include lawless guerilla organizations fomenting volatility and legitimized revolutionary organizations that sloganeer democracy and seek power through the ballot box. The Venezuelan government wishes to attain electoral victories in order to pursue the Bolivarian model of control in each of these countries.

During the 1980s, Fidel Castro and the Soviet Union fomented guerrilla wars in Central America. President Ronald Reagan and his very able foreign policy team stopped them. The strife in Central America, however, had important repercussions. Millions of people were displaced. Nearly one million Central Americans immigrated into the United States in search of safety, and even today, the economic consequences of grinding poverty and the failed left-wing movements of the 1980s continue to push hundreds of thousands of Central Americans to seek entry into the United States through legal and illegal means.

**\$50 billion in annual oil revenue can finance a lot of trouble.** In 2004, Venezuela was the United States' sixteenth-largest trading partner with \$50 billion in yearly hard currency income. That is more than the combined yearly incomes of all of Central America during the 1980s crises. Further, the population of the countries that form the fallout zones of Venezuela's projected instability exceeds 100 million. Venezuela has more energy resources than Iraq and supplies one-fifth of American oil consumption. Given its vast resources and investments in exporting revolution, if Venezuela succeeds with its plans the Central American instability of two decades ago will seem modest in comparison.

**U.S. asset: Goodwill of Venezuelan people.** The lack of a coherent U.S. policy towards Venezuela is profoundly frustrating given that, unlike the Venezuelan government and its paid supporters, the majority of Venezuelans have great affection for America and its freedoms. Data obtained from the Pew Research Center surveys on "Global Attitudes" indicate that, although much of the world—and nearly all of Latin America—resents and mistrusts the United States, the population of Venezuela ranks among the greatest global admirers of the United States and its people. The Venezuelan government knows this and is funding numerous "educational" programs to shift affinity away from the United States.

### **U.S. policy towards Venezuela: A Fixation with 'Process'**

Unlike Fidel Castro, the Venezuelan president did not come to power by force. He was compelled to work within legal means to achieve power in a country with a long democratic tradition. The resulting veneer of legitimacy and legality has been essential to the government's survival. Largely because of a fixation with the democratic "processes" by which the Bolivarian regime took and consolidated power, as well as to concerns about Venezuela's strong position as a major oil supplier, the Clinton and Bush administrations largely ignored what the regime in Caracas was saying and much of what it was actually doing.

**The United States ignored two years of cries for help from Venezuela.** For two years, Venezuelan citizens, businessmen, political leaders, military officers, clergymen, and others

implored the Bush administration for help and acknowledgment --but received none. The 24-hour coup on April 11, 2002 against the would-be dictator was a purely Venezuelan action, lacking even tacit U.S. support, let alone encouragement. Among the public signs of U.S. non-involvement was the complete absence of the sort of highly public diplomatic offensives the U.S. generally takes to set the international political climate for regime change.

**The executive branch also ignored warnings from Congress.** The Bush administration also ignored warnings from some of its strongest and most influential friends. House International Relations Committee Chairman Hyde wrote a letter of warning to President Bush and Secretary of State Colin Powell in October 2002. He told them about “the leadership of all the pro-democracy elements of the society” in Venezuela meeting to demand the resignation of the dictator and the holding of free and fair elections. Hyde described the illegitimacy of the Bolivarian regime, and itemized its steady progress toward creeping dictatorship. Rep. Hyde argued that the United States should “declare itself in sympathy with the pro-democratic civil-military coalition in Venezuela which seeks to restore democracy and should do so at once.”

The Bush Administration ignored the Venezuelans’ appeals and disregarded Chairman Hyde’s advice. The Bolivarian regime proceeded to defeat the democrats, break up their organizations, purge them from the nation’s institutions, have many beaten and shot, confiscate their property, and drive many of their leaders into exile and still the U.S. government did nothing.

Matters were made worse when Venezuelan opposition to the regime intensified last year, prompting millions upon millions of Venezuelan citizens to sign numerous petitions demanding a referendum on whether the government should stay in power. The regime delayed and obstructed the recall referendum process at every turn. Once the regime was forced to submit to such a referendum, moreover, it used a fraud-filled voting process to ensure victory. The government did everything—including granting citizenship to half a million illegal aliens in a crude vote-buying scheme and “migrating” existing voters away from their local election office—to fix the results in its favor. The outcome was then affirmed and legitimated by ex-President Jimmy Carter’s near-unconditional support.

**Unquestionable electoral fraud.** Despite Mr. Carter’s validation, an independent statistical analysis performed by a joint team of Harvard University and MIT professors in August 2004 concluded that while it was impossible to determine the actual dimension of fraud, there was no question that fraudulent activity in the electronic voting process skewed the results.

These findings were seen as unwelcome outside Venezuela. The Organization of American States dismissed the Harvard-MIT study. For its part, the Carter Center issued an in-house response that actually raised serious doubts about the technical capabilities of the Carter Center to observe this type of elections or to evaluate their aftermath. One stubborn fact surrounding the fraud is that the companies hired to supply the voting machines and the software for the referendum were secretly created and partly owned by the Venezuelan government.

Jimmy Carter ignored pleas from the opposition and publicly endorsed the results, despite the fact that the government reneged on its agreement to carry out an audit of the results. Carter's actions not only gave the Venezuelan regime the legitimacy it craved, but also destroyed the public's confidence in the voting process and in the effectiveness of international observers.

Since then, despite the fact that polls continually show the opposition holding nearly 50 percent support among the electorate, the regime has been winning regional elections by huge margins as opposition voters abstain from what they perceive to be a futile and corrupted process.

### **Reaping What Has Been Sown**

As a new Secretary of State took office in early 2005, she confronted in Venezuela an oil-rich dictatorship that had all but defeated its democratic opponents and that has done the following:

- **created strategic alliances with designated state-sponsors of terrorism**, including Cuba, Iran, Saddam Hussein's Iraq, and Libya prior to the lifting of sanctions. The alliances with Iran, Cuba, and Libya involve transfers of technology (weaponry), and personnel **purged the Venezuelan military of pro-U.S. officers and terminated productive security relations (including exchange programs) with the U.S.**, causing U.S. military teams to depart in 2002 and replacing them with Cuban advisers and special forces personnel from the People's Republic of China;
- **used Venezuela's oil wealth for subversive purposes and to prop up a state sponsor of terrorism:**
  - replaced the Soviet Union as the Cuban regime's chief supplier of heavily subsidized oil;
  - while chairing OPEC, attempted to use the cartel to wage political and economic warfare against the United States;
  - brought Saddam Hussein's and Muammar Qaddafi's oil managers to reorganize the state PDVSA oil monopoly and bring it under Chavez's political control;
  - placed PDVSA under the control of Ali Rodriguez, a former Maoist guerrilla who openly identifies with extreme Islamist causes.
- **effectively merged his security and intelligence services with those of Cuba:**
  - approved a treaty with Cuba granting Cuban judges and members of the Cuban state security apparatus full jurisdiction inside Venezuela;
  - placed the Venezuelan intelligence service (DISIP) under the control of the Cuban DGI intelligence service, with DGI officers openly staffing key DISIP managerial and analytical posts;
  - brought in thousands of Cuban secret police and intelligence officers to train and staff Bolivarian security forces;



- imported thousands of Cuban civic action operatives to build a political support base among the urban and rural poor;
  - set up Cuban-style political goon squads, called Bolivarian Circles, to use intimidation and violence against political opponents and non-supporters, both among civilians and the military;
  - set up Cuban-style neighborhood block committees to spy on each member of the community and enforce political participation and control.
- **aided, abetted, and comforted international Islamist terrorist organizations:**
    - permitted Hamas and Hezbollah to operate freely on Isla Margarita, a Venezuelan island in the Caribbean, including allowing Hezbollah to run an Arabic-language radio propaganda station;
    - provided official, manufactured Venezuelan identities and travel documents to key Muslim operatives wanted in the United States, including individuals who trained with September 11 hijackers and carried out a foiled grenade attack against a British airliner;
    - openly sympathized with the attacks on American and Coalition troops in Iraq, Iraqis serving in their new government, and Iraqi civilians who participate in the new democracy.
- **aided and abetted regional narcotics traffickers and narcoterrorists:**
    - stopped key cooperation against drug trafficking and organized crime, including termination of the construction of radars to monitor the border area;
    - forbade U.S. reconnaissance flights for drug control policy (after more than a decade of cooperation with previous Venezuelan governments).
- **aided and abetted narcoguerrilla groups seeking to overthrow the government of Colombia:**
    - allowed the FARC (Revolutionary Armed Forces of Colombia) to operate camps across the border from Colombia;
    - ordered the army not to interfere with FARC guerrillas in Venezuelan territory;
    - invaded Colombian territory to provide air cover to FARC units infiltrating from Venezuela;
    - allowed key FARC and ELN (National Liberation Army) combatants and commanders to live and operate freely in Caracas; some stayed at luxury hotels and received the equivalent of diplomatic treatment; one spoke on the floor of the Venezuelan National Assembly; one, the foreign minister of the FARC, was living openly with state sponsorship;
    - has allowed arms and supply shipments to the FARC, once sporadic, to take place on an almost daily basis.

- **developed a coherent, populist political ideology and political action apparatus to spread political subversion in other countries:**
  - “Bolivarianism” is a pan-South American hybrid of Maoist and Castroite political theory and political action, Marxist internationalism, and Andean and indigenous “nationalism” that is replacing Soviet-style Marxism-Leninism as the region’s main, transnational, aggressive ideology.
  - **Bolivarianism includes the use of covert political action, political subversion and violence against neighboring countries:**
    - the Fifth Republic Party is a cover to infiltrate political warfare operatives into other countries, including Colombia;
    - the Venezuelan regime is financing and organizing the radicalization of indigenous movements throughout the Andean region, including Ecuador, Peru, and Bolivia;
    - the regime is threatening small countries across the Caribbean with Bolivarian violence;
    - the regime aided the overthrow of Bolivia’s pro-U.S. President Sanchez de Losada in 2003, and the impending overthrow of the current president by helping Bolivian coca growers to build a grassroots protest movement that has effectively shut down much of the country;
    - the regime has been inspiring, advising, materially assisting and financing radical parties and movements across the hemisphere to build a bloc against the U.S. and its allies:
      - it has used the “Forum of São Paulo” network of former terrorist and guerrilla movement leaders under the tutelage of Brazil’s ruling Workers’ Party;
      - it has funded the Sandinista National Liberation Front (FSLN) of Nicaragua and the Farabundo Marti National Liberation Front (FMLN) of El Salvador;
    - “Bolivarian Circles” enforce the imposition of the ideology
      - FARC personnel reportedly have trained Bolivarian Circles;
      - The president has funded the creation of Bolivarian Circles among Venezuelan émigrés in Bolivia, Ecuador, Uruguay *and the United States*. There are currently no fewer than 20 such groups in the United States.
- **is arming to militarize the population and threaten its neighbors:**
  - though Venezuela has long had a domestic military small-arms industry of its own, and for decades manufactured the Belgian FN-FAL assault rifle, the regime is currently importing 100,000 Russian Kalashnikov assault rifles, and may import as many as 400,000 AK-47s. Venezuela’s standing Army of 84,000 uses FAL rifles, leading many analysts to wonder what will become of the excess Russian weaponry;
  - Venezuela also plans to purchase as many as 50 Russian MiG fighter aircraft, replacing or augmenting its small fleet of U.S. warplanes and giving it an

unprecedented offensive military capability. In addition, the regime is purchasing military hardware from Spain.

- **has curbed civil rights and civil liberties.** The media has, until recently, served as the only effective check to arbitrary government power. In poll after poll, the Venezuelan media ranks as the most respected institution in the country. This explains why the regime:
  - has instigated violent verbal and physical attacks against the owners, editors, and employees of the media. Buildings have been bombed, reporters have been injured and killed, and automobiles, cameras, and other media property have been destroyed by armed members of the Bolivarian circles militia or by unknowns that the security forces claim they could never find.
  - has raided the homes of prominent journalists and compelled them to testify to the secret police. The International Broadcasting Association, Interamerican Press Society, and the Interamerican Commission for Human Rights of the Organization of American States have pleaded in vain with the regime to protect freedom of the press.
  - uses presidential decrees routinely to interrupt regular television and radio broadcasts, forcing all media to transmit hours of pro-government propaganda.
  - instituted a new penal code that states “anyone who offends with his words or in writing or in any other way disrespects the President of the Republic or whomever is fulfilling his duties will be punished with prison of 6 to 30 months if the offense is serious and half of that if it is light.” Journalists who “expose another person to contempt or public hatred” can receive a prison sentence of one to three years.
  - authorized prosecutors to track down allegedly criminal inaccuracies in truth not only in newspapers and electronic media, but also in e-mail and telephone communications. The new code specifies that anyone charged with the crimes mentioned here will not be entitled to legal due process. Already, private TV stations are showing signs of self-censorship.
  
- **is becoming one of the hemisphere’s worst violators of human rights.** The Bolivarian regime:
  - intimidates, beats, maims, and murders opponents via the Bolivarian Circles and other means. Members of the militia have injured or killed several foreign citizens (including citizens of Great Britain, Italy, Spain, and the United States).
  - has indicted hundreds of leading members of Venezuelan civil society for the crime of “civil rebellion,” a charge that carries a minimum twelve year and a maximum twenty-five year sentence. Among them: three former elected governors, the president of the radio broadcasting association, the former president of the Inter-American Human Rights Court, the former president of the Venezuelan Supreme Court, the president of the bankers association, the personnel of numerous NGOs, the president of the AFL-CIO affiliated Venezuelan federation of labor, and the head of the Venezuelan chamber of commerce;
  - persecuted democracy activists who were awarded funds from the National Endowment for Democracy;

- **is trying to limit Washington's latitude for action by cultivating and co-opting decision-makers.** The Caracas regime has:
  - opened a costly effort, the Venezuelan Information Office, to serve as media promoters for the government;
  - cultivated key American lawmakers of both parties and won the support of the Congressional Black Caucus;
  - bought influence from others in Washington, including a prominent Republican political figure;
  - cooperates with existing left-wing grassroots organizations to disinform about U.S. involvement in the region in a strategy that seeks to pre-empt any palliative measures in favor of Venezuelan democracy;
  - used former President Jimmy Carter and the Carter Center; retains a Republican firm to set up and run electronic propaganda operations in the United States.

## A STRATEGY FOR REGIME CHANGE

### Challenges and Opportunities

Despite the United States' sustained neglect of the region that poses so many challenges, America also enjoys many opportunities to help Venezuelan democrats regain their country. A summary of challenges and opportunities follows.

**Challenges.** Venezuela's political opposition is divided, scattered, and severely weakened under the dictatorship. The United States does not have a hemispheric security strategy. Latin American issues, particularly when challenging a leftist revolutionary dictatorship aligned with Cuba, are among the most polarizing and emotional of any foreign policy issue. U.S. credibility in the hemisphere is low. Many friends of the United States in the region feel ignored or abandoned. Washington tends to lead with its chin, unnecessarily generating resentments or nationalistic reaction instead of making skillful use of its ample diplomatic and other resources. It also tends to personalize conflicts instead of fighting wars of ideas, needlessly elevating the prestige and popularity of the leaders whose forces it seeks to undermine.

The United States has virtually eliminated public diplomacy activity in the hemisphere, while the Venezuelan regime is busy covertly funding political allies across Latin America and the Caribbean, and buying other allies with cash payoffs that Washington would never match. Intelligence is pitifully weak thanks to: low policy priorities, poorly conceived tasking priorities that drive collection, a poor sense of how to utilize political intelligence -- and therefore its importance, severely debilitated HUMINT assets, and continued counterintelligence concerns about hostile penetration of U.S. intelligence services since the high-level Cuban penetration of the Defense Intelligence Agency uncovered in 2001.

**Opportunities.** Internal opposition to the Venezuelan dictatorship is deep and broad. The opposition extends through the oil sector, the bureaucracy and the armed forces. Significant areas of support for the revolution are shallow or hollow, and under the right circumstances could

become security liabilities instead of assets for the regime.

- **Regional concerns.** Venezuela's neighbors are concerned and some are downright alarmed as the revolution is consolidated. The regime visibly supports guerrilla and terrorist activity across its borders, and seeks inordinate arsenals of weapons and warplanes. Guyana, on Venezuela's eastern border, is fearful of the regime's claims on a third of its territory. The Eastern Caribbean States are similarly worried, even as some appear becoming Finlandized. Colombia has a *casus belli* with Venezuela for the regime's support of the FARC. Brazil, even under a left-wing president who openly sympathizes with the Venezuelan regime, sees Caracas as a security threat due to the latter's destabilization of other countries that border Brazil's long and poorly defended border, as well as concerns about the rise of a Brazilian FARC. The credibility of a non-violent leftist government and Brazil's economic aspirations depend on a continent free of the social, political and economic upheaval that the Bolivarian revolutionary model presents along the southwestern, western, and northern perimeters of South America's largest country.
- **Easy area for U.S. to navigate.** Latin America is easy territory for the U.S. to navigate with all its instruments of statecraft. Much of the traditional opposition to Washington is emotional and rhetorical, particularly when the U.S. gives little reason to risk one's political career by being a friend or ally.
- **Multilateral action possible without the UN.** There is no need for United Nations' involvement. The Organization of American States (OAS) is the logical venue for debate and multilateral action; it is one of the oldest transnational organizations in the world, is strongly accepted throughout the hemisphere, it affords regional legitimacy, and it keeps decision-making among the countries of the Americas. The OAS has the power to expel member states that do not attempt to live up to basic democratic principles, as it has with Cuba. Brazil and other countries have proven to be reliable and effective partners in peacekeeping operations in countries where democracy is inherently unstable, including in the Caribbean basin that Venezuela shares.
- **Information warfare bonanza.** On the information front, Venezuela is an information sieve, a gusher of facts that, when effectively collected and presented to the public, would alarm all but the most intransigent of skeptics, peel away internal and external support from the regime, and cry out for immediate action. To date, the U.S. government has not mustered these arguments and facts, but it is not difficult to do so. Public education is key. The United States must expose the Venezuelan regime and raise awareness of the importance of a new strategy to counter the existing threats. Before addressing the problem posed by Venezuela it is necessary to recognize it as a problem. The U.S. should also consider jointly funding or requesting research from Latin American think-tanks regarding their relationship and knowledge about government affairs.

- **A unified front is possible.** Further, any Venezuela strategy must necessarily involve the participation of other Latin American governments. A united front against the hemispheric threat posed by the Venezuelan government is essential. The Venezuelan government would much prefer a bipolar conflict. Its self-proclaimed moral high ground disintegrates when other hemispheric actors become involved.
- **Psychological advantages.** Any Venezuela strategy must avoid providing the dictator with pretexts that would inflate his popularity and prestige – and exploit his psychological instability – or justify his repression and militarization. The U.S. must avoid enhancing his prestige by assiduously not naming him. It must avoid the look of a personal battle with the American president or a U.S. grab for oil, as any move doubtlessly will be portrayed. Already, at the instigation of Cuba, the Venezuelan dictator is accusing the U.S. of plotting to assassinate him.

### **Elements of a Winning Strategy**

**Help the dictator hasten his own political demise.** The Venezuelan dictator is mentally unstable and has been under psychiatric supervision for years. He overreacts to criticism, weeps in front of others, and dreams messianic fantasies that make him especially vulnerable as well as dangerous. A psychological profile report in the *New York Times* showed remarkable similarities to that of Saddam Hussein. With lessons learned from the Iraq war, the U.S. can improve its psychological strategy and help the Venezuelan leader to hasten his political self-destruction.

**Prevent the dictator from destroying Venezuela's infrastructure.** At the same time, however, the U.S. must be prepared to act immediately to prevent the Venezuelan dictator from destroying his country as part of a desperate bid to perpetuate his regime. Of particular concern is the fact that, in time of crisis, the Venezuelan dictator might be tempted to destroy his country's economic infrastructure -- especially where such destruction (e.g., of oil facilities), would injure the United States, other countries and the Venezuelans who oppose him.

**A viable democratic alternative is needed.** A successful transition away from the existing regime will not occur without a strong democratic alternative. Friends of democracy throughout the region must provide material support and vocal protection to the remaining opposition members inside the country. This includes civic organizations, NGOs, human rights organizations and political groups.

**Working with the OAS and Venezuela's internal cycle.** U.S. leadership is weak in the Organization of American States (OAS), but it has reasonable and effective opportunities within its reach. First, it can invoke the OAS Democratic Charter. This is the single most powerful weapon against the regime's continued consolidation, and can even be useful in shepherding a reversal of the revolution. The Venezuelan government has violated the Charter on dozens of occasions, but it has not been held to account. It has also abided by other provisions and named the Charter an important document. The OAS tolerates such double-talk because few nations have been willing to stand up the regime.

Adopting the OAS route would necessitate direct action by the United States, but only as one of many OAS members. A Democratic Charter strategy can only work after a public diplomacy campaign of prolonged and accurate exposure of the regime's threat to hemispheric security and human rights.

At the same time, the remaining hope on the calendar for a peaceful resolution to the ongoing threat is the Venezuelan presidential election of 2006. Despite the likelihood of a fraud on the level of the 2004 referendum, the Center recommends the following steps:

- **Sustain and protect (through monitoring and material support from OAS member nations) the democratic and human rights movements inside Venezuela.** Expose the false arrest of emerging leaders and send a categorical and unequivocal signal that the democratic process and human rights, properly understood, must be respected. For the 2006 elections a new election process and model must be put in place so as to discourage or at least encumber the sort of fraud that occurred in 2004. The regime is likely to sabotage the implementation of any new process. This, in itself, will help to cement the paradigm shift in the accurate perception of the Venezuelan government as a dictatorship.
- **Significantly increase cooperation with hemispheric partners to monitor and gather intelligence about the existing partnership between the Venezuelan regime and state sponsors of terrorism, and expose the Bolivarian/terrorist connections.** Once completed, other alternatives for action will be likely to receive multinational support.

### **The Bottom Line**

Time is running out. Venezuela's increased pace of repression, militarization, weapons imports, and destabilization of neighboring countries shows that time is running out for the Venezuelan people and for the relative peace that most of the hemisphere has enjoyed. The Bolivarian regime in Caracas presents a clear and present danger to peace and democracy in the hemisphere. It must change. It can change on its own, or it can invite hemispheric forces with the help of Venezuela's broad democratic opposition, to impose the changes. Either way U.S. strategy must be to help Venezuela accomplish peaceful change by next year.