

USAID/OTI Venezuela Field Report

July - September 2008

Program Description

In August 2002, USAID initiated a program in Venezuela to provide assistance to maintain democratic stability and strengthen the country's fragile democratic institutions. The program operates out of the U.S. Embassy and is part of a larger U.S. Government effort to promote democracy in Venezuela. The FY 2008 budget for Venezuela includes \$4 million in Transition Initiatives funding.

The Venezuela program has two main objectives: (1) strengthen democratic institutions and promote space for democratic dialogue, and (2) encourage citizen participation in democratic processes. USAID works with several implementing partners drawn from the spectrum of civil society focusing on dialogue, public debate, citizen participation, and training for democratic leadership – offering technical assistance for political parties and providing technical support to human rights practitioners and the supporting civil society.

Country Situation

Local Elections – The political environment grew increasingly tense during the final quarter of FY 2008 and remains centered on the campaigns for municipal and state elections scheduled for November 23, 2008. Campaigns for gubernatorial and mayoral positions began in earnest following the final registration of candidates, which took place in August. Negotiations between the parties continue – both among the opposition as well as between the Venezuelan United Socialist Party and its allies – in order to field “unity” candidates in many of the states and municipalities. Several states conducted primaries over the course of the summer to select unity candidates. However, there continues to be a certain lack of unity on both sides of the political divide in quite a few mayoral races, and in some of the more important gubernatorial races as well.

The Supreme Court upheld the state comptroller's decision to make ineligible more than 270 candidates who were running for regional posts. The court declared constitutional a law that allows the comptroller to cite administrative penalties for alleged corruption and declare potential candidates ineligible in the state and municipal elections, saying that the law did not violate the rights of the defendants. Opposition activists have claimed that the sanctions were political in nature, as most are being applied to opposition candidates, including several high-profile politicians.

President Passes New Legislation – President Chavez used his power to legislate by decree (on the day before the power expired) to pass 26 new laws. Many of the laws reflect changes to the Constitution that were proposed and defeated in 2007. Most of the decrees, as well as the full extent of the changes, were not publicized until the following week. Opposition and business leaders have raised objections to many of the laws, as they will increase centralized control of the economy, change certain private property laws, and give the President direct control over the militia.

On a related note, in its most recent attempt to nationalize strategic industries, the Venezuelan Government seized the assets of the country's largest cement producers. The companies' assets were seized after negotiations with the parent organization of a large Mexican producer broke down. Both sides continue to look for ways to resolve the stalemate.

In September, the director of the international nongovernmental organization Human Rights Watch (HRW) for Latin America was expelled from Venezuela after presenting a report on the human rights situation in the country during the last 10 years. The report criticized President Chavez's government in a number of areas. The report pointed out problems with political discrimination and a lack of independence in the judiciary. The government accused HRW of violating the Venezuelan Constitution by insulting the President and immediately ejected the director and a second HRW representative.

International Relations – In the international arena, President Chavez has continued to push his ideas for Latin American integration, working with allies in Latin America and around the globe to increase economic and political ties. President Chavez met with President Uribe of Colombia in July to discuss bilateral issues, focusing mainly on improving relations and maintaining important trade links, in an attempt to overcome their past disagreements.

The *maleta* case (suitcase scandal) has gone to trial. The case involves a Venezuelan-U.S. citizen (Guido Antonini-Wilson) who was caught bringing \$800,000 into Argentina during the country's presidential election. Antonini-Wilson was subsequently visited at his home in Miami by undeclared agents of the Venezuelan Government who sought to obscure the source and destination of the funds. Only one of the defendants accused of operating as an agent of a foreign government has pleaded not guilty, and the trial has raised questions about the involvement of senior Venezuelan Government officials in the attempt to secure Antonini-Wilson's silence.

On September 11, President Chavez declared the U.S. Ambassador persona non grata, asking him to leave the country immediately. The move was made in conjunction with a similar declaration concerning the U.S. Ambassador in Bolivia and also because of a supposed connection to an alleged assassination attempt against Chavez, a claim that has no basis in fact. In addition, the Venezuelan Government's unsubstantiated claims of U.S. interference in Venezuelan affairs have intensified as the November elections have drawn nearer.

Finally, President Chavez worked throughout the quarter to increase economic, cultural, and military ties with Russia. Military cooperation increased: Russian long-range bombers visited the country and the government is planning for a visit by four Russian naval vessels. In addition, Chavez signed an agreement to borrow \$1 billion from Russia to purchase Russian-made military equipment.

OTI Highlights

A. Narrative Summary

USAID/OTI continued to work with project counterparts during the quarter in support of nonpartisan education campaigns. Activities have focused on generating civic participation from all sectors and political parties, as well as good governance. During the quarter, the program provided –

- Assistance to projects working to make good governance principles an important part of the upcoming local elections – so the polls will accurately reflect citizens' wants and needs.
- Assistance to local groups that are creating materials on governance based on democratic values. (Materials have been delivered to community leaders and other members of civil society.)
- Support for voter registration campaigns working to register people in time for the upcoming elections.
- Assistance to local NGOs that are stimulating debate, through neighborhood activities and radio call-in shows, on issues that most affect ordinary Venezuelans.
- Support for organizations that are promoting open and informative debates between candidates in the upcoming elections.
- Support and training to human rights groups, including some that have been monitoring the upswing in threats to human rights defenders.
- Training to political parties on internal democratization, including support for activities that cultivate young leaders and allow greater participation in the political process.

B. Grants Activity Summary

USAID/OTI, through implementing partners, approved 33 grants during the quarter.

C. Indicators of Success

The program has strived this quarter to take recent lessons learned and implement them going forward. Efforts have been made to focus debate on issues that are relevant to average Venezuelans and to work with willing partners in making government more responsive and accountable. Voter registration efforts were carried out with great enthusiasm by project partners, and large numbers of new voters were registered.

Reports and public activities by grantees were successful in disseminating information on areas critical to a functioning democracy, including human rights and other important social issues. These activities show the successful work of building up the capacity of civil society organizations to play a meaningful role in Venezuelan society.

Program Appraisal

The Venezuela program is like USAID programs in other countries in this hemisphere and around the world in that it seeks to strengthen democracy and its supporting institutions. The program in Venezuela is designed to strengthen civil society and political parties, the key components of a healthy democracy and the channels through which citizens often express their desires, needs, and concerns as well as find ways to collectively address them.

Threats against program counterparts continue, and the level of harassment has increased as the upcoming elections draw closer. USAID/OTI will continue to monitor these threats, especially in light of Government of Venezuela actions such as the expulsion of the U.S. Ambassador. Physical threats against human rights defenders have continued unabated throughout the quarter.

The program's focus on reaching out to new organizations and new states has produced opportunities to engage with emerging actors in Venezuelan civil society.

Next Steps/Immediate Priorities

USAID/OTI will continue to work in the areas of civic education and citizen participation and to support human rights defenders as they improve their ability to research, report on, and present cases of human rights abuses. Work will also continue with all political parties that wish to receive training in the areas of platform development and voter outreach.