


G I G A *Working Papers*

German  Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien

GIGA Research Programme:
Violence and Security

**Oil in Venezuela: Triggering Violence or Ensuring
Stability? A Context-sensitive Analysis of the
Ambivalent Impact of Resource Abundance**

Annegret Mähler

No 112

October 2009

GIGA Working Papers serve to disseminate the research results of work in progress prior to publication to encourage the exchange of ideas and academic debate. Inclusion of a paper in the Working Papers series does not constitute publication and should not limit publication in any other venue. Copyright remains with the authors.

GIGA Working Papers

Edited by the
GIGA German Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien

The GIGA Working Papers series serves to disseminate the research results of work in progress prior to publication in order to encourage the exchange of ideas and academic debate. An objective of the series is to get the findings out quickly, even if the presentations are less than fully polished. Inclusion of a paper in the GIGA Working Papers series does not constitute publication and should not limit publication in any other venue. Copyright remains with the authors. When working papers are eventually accepted by or published in a journal or book, the correct citation reference and, if possible, the corresponding link will then be included on the GIGA Working Papers website at <www.giga-hamburg.de/workingpapers>.

GIGA research unit responsible for this issue:
Research Programme Violence and Security

Editor of the GIGA Working Papers series: Martin Beck <beck@giga-hamburg.de>

Copyright for this issue: © Annegret Mähler

English copy editor: Melissa Nelson

Editorial assistant and production: Christine Berg

All GIGA Working Papers are available online and free of charge on the website <www.giga-hamburg.de/workingpapers>. They can also be ordered in print. A fee of €5 will be charged for production and postage costs. For orders or any requests please contact:

E-mail: workingpapers@giga-hamburg.de

Phone: ++49 (0)40 - 4 28 25 - 548

The GIGA German Institute of Global and Area Studies cannot be held responsible for errors or any consequences arising from the use of information contained in this Working Paper; the views and opinions expressed are solely those of the author or authors and do not necessarily reflect those of the Institute.

GIGA German Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien
Neuer Jungfernstieg 21
20354 Hamburg
Germany
E-mail: info@giga-hamburg.de
Website: www.giga-hamburg.de

Oil in Venezuela: Triggering Violence or Ensuring Stability? A Context-sensitive Analysis of the Ambivalent Impact of Resource Abundance

Abstract

This paper studies the causal factors that make the oil-state Venezuela, which is generally characterized by a low level of violence, an outlier among the oil countries as a whole. It applies a newly elaborated “context approach” that systematically considers domestic and international contextual factors. To test the results of the systematic analysis, two periods with a moderate increase in internal violence in Venezuela are subsequently analyzed, in the second part of the paper, from a comparative-historical perspective.

The findings demonstrate that oil, in interaction with fluctuating non-resource-specific contextual conditions, has had ambiguous effects: On the one hand, oil has explicitly served as a conflict-reducing and partly democracy-promoting factor, principally through large-scale socioeconomic redistribution, widespread clientelistic structures, and corruption. On the other hand, oil has triggered violence—primarily through socioeconomic causal mechanisms (central keywords: *decline of oil abundance* and *resource management*) and secondarily through the long-term degradation of political institutions. While clientelism and corruption initially had a stabilizing effect, in the long run they exacerbated the delegitimization of the traditional political elite. Another crucial finding is that the impact and relative importance of oil with respect to the increase in violence seems to vary significantly depending on the specific subtype of violence.

Keywords: Venezuela, natural resources, oil, political economy, violence, contextual sensitivity

Annegret Mähler, M.A.

is a political scientist and research fellow at the GIGA German Institute of Global and Area Studies.

Contact: maehler@giga-hamburg.de

Website: <http://staff.giga-hamburg.de/maehler>

Zusammenfassung

Erdöl in Venezuela: Auslöser von Gewalt oder Stabilitätsfaktor?

Eine kontextsensible Analyse der ambivalenten Auswirkungen von Ressourcenreichtum

Dieser Beitrag analysiert die Faktoren, die den Erdölexporteur Venezuela, der sich durch ein grundsätzlich niedriges Gewaltniveau auszeichnet, zu einem abweichenden Fall innerhalb der Debatte um die erhöhte Gewaltwahrscheinlichkeit in Erdölstaaten machen. Methodisch kommt ein neu erarbeiteter „Kontextansatz“ zur Anwendung, der den jeweiligen Einfluss innerstaatlicher und internationaler Kontextfaktoren systematisch überprüft. Um die Befunde der systematischen Analyse zu verifizieren und zu erweitern, werden im zweiten Teil des Papers in einer historisch-vergleichenden Analyse zudem zwei Phasen eines moderaten innerstaatlichen Gewaltanstiegs in Venezuela untersucht.

Die Ergebnisse zeigen, dass Erdöl im jeweiligen Zusammenspiel mit unterschiedlichen nicht-ressourcenspezifischen Kontextfaktoren einen ambivalenten Einfluss ausüben kann: auf der einen Seite hat Erdöl in Venezuela – primär über breit angelegte staatliche Verteilungspolitiken, klientelistische Strukturen und Korruption – eindeutig als konfliktreduzierender und teils auch demokratiefördernder Faktor gewirkt. Auf der anderen Seite hat Erdöl aber auch niedrigschwellige Gewalt gefördert; dies vor allem über sozioökonomische Kausalmechanismen (Verfall der Erdölpreise und spezielles Ressourcenmanagement) und nachrangig über den langfristig verursachten Verfall politischer Institutionen. Während folglich Klientelismus und Korruption kurzfristig einen stabilisierenden Effekt hatten, haben sie langfristig zur Delegitimierung der politischen Elite geführt. Ein weiterer zentraler Befund ist, dass der konkrete Einfluss des Erdöls auf Gewalt je nach spezifischer Form der Gewalt deutlich zu variieren scheint.

Oil in Venezuela: Triggering Violence or Ensuring Stability? A Context-sensitive Analysis of the Ambivalent Impact of Resource Abundance

Annegret Mähler

Article Outline

- 1 Introduction
- 2 Theoretical Framework
- 3 Case Study of the Petrostate Venezuela
- 4 Conclusion

1 Introduction

In the academic literature, there appears to be a widespread consensus that natural resources have a negative impact on the development of the respective countries. Although partly divergent, the two central theoretical approaches focusing on this topic—the rentier state theory and the resource curse thesis—argue that the dependence of national economies on the export of natural resources causes massive political, economic and social distortions, provok-

ing among other things an overproportionally high rate of various kinds of internal violence. Of the different types of natural resources, oil is considered to particularly increase the likelihood of violence (Ross 2004; Humphreys 2005).

In contrast, the oil-state Venezuela has, since democratization in 1958, been characterized by a remarkably low level of violence. Indeed, for a long time the country was one of the most stable and conflict-free democracies in Latin America—a fact that cannot be adequately explained by either the rentier state theory or the resource curse thesis. Hence, the first part of this paper analyzes the reasons for the low level of violence in the petrostate Venezuela since 1958 using an inductive-explorative approach that systematically takes crucial domestic and international contextual conditions into consideration.

The central question is, What are the contextual factors and specific causal mechanisms that make Venezuela an “outlier” among oil countries, broadly seen as being prone to either violent conflict or authoritarianism? Special emphasis is thereby placed on the issue of the precise direct and indirect impacts of oil or, more precisely, of the petroleum rents.¹

Even though the overall level of violence in Venezuela is low, there have been three historical periods with a moderate increase in internal violence. The first period was during the early days of democratic rule, when the country was temporarily shaken by the emergence of a guerilla movement. The second period was at the end of the 1980s and the beginning of the 1990s. The third period began in the year 2001 and has continued until today. Focusing on the last two phases, the second part of the paper will explore these periods using a diachronic comparative analysis. The study of the causal mechanisms which could help explain this increase in previously nonexistent violence includes the following central questions: Which stabilizing or violence-reducing contextual conditions that existed previously have been weakened or nullified? In which specific way has the interplay of the causal mechanisms thus been altered? Again the focus is on oil and its precise influence on the tendencies described. Thus, the main hypothesis of this paper is that while the factor oil indeed has a decisive influence on the political and socioeconomic development of the country, the link between oil and the dependent variable violence is ambiguous and cannot be comprehensively clarified without considering the crucial influence of specific contextual conditions.

Before entering into the in-depth case study, a short overview of the academic debate on natural resources and their political and socioeconomic impact—presenting the latest findings as well as existing explanatory deficiencies—shall be provided. Subsequently, the sophisticated “context approach,” which constitutes the framework for the following analysis of the Venezuelan case, will be introduced.

¹ This paper is part of the research project “Is Resource Wealth a Risk Factor? On the Importance of Contextual Conditions for the Connection Between Natural Resources and Violence in Non-OECD States,” supervised by Dr. Matthias Basedau of the German Institute of Global and Area Studies (GIGA) and funded by the DFG (Deutsche Forschungsgemeinschaft/German Research Foundation). Research for this paper included extensive expert interviews in Venezuela, conducted in February and March 2008.

2 Theoretical Framework

2.1 The Rentier State Theory and the Resource Curse Thesis

With regard to the political effects, the principal proposition of the rentier state theory is that (oil) rents — defined as “the excess over the return to capital, land, and labor when these factors of production are put their next best use” (Dunning 2008: 39)—have a stabilizing effect on authoritarian rule (Mahdavy 1970; Beblawi/ Luciani 1987; Ross 2001). Initially based on empirical findings in the Middle East, the rentier state theory claims universal validity (Beck 2007: 44).

The linkage between oil rents and authoritarianism is attributed to the following causal mechanisms: Firstly, it is presumed that oil rents foster the formation of stabilizing patronage networks, widespread clientelism, and assistentialist distribution policies, which in turn dampen the democratic pressure from the population and which may also result in the depoliticization of the society. Secondly, the abundance of revenues generated from the oil sector relieves national rulers of the need to tax the population. This again may disburden the political elite of demands from the population for political participation and accountability on the part of the elites. The rentier state theory does not focus primarily on violence, but rather on the stability of authoritarian rule. However, as authors such as Ross illustrate, resource wealth may make it easier for authoritarian rulers to use violence in the form of political repression because it helps in financing an extensive, oppressive state apparatus (Ross 2001).

Within the last decade, another theoretical approach—the *resource curse thesis*—has progressively gained importance within the theoretical debate on natural resources. Some authors place special emphasis on the economic characteristics of resource-rich countries. They claim that resource wealth is linked to poor economic growth (Auty 1993; Sachs/ Warner 1995) and other economic problems such as *Dutch disease* and poor performance in the agricultural and manufacturing sectors, fostering an insufficient degree of diversification and vulnerability towards external shocks. A further branch of the resource curse thesis focuses on the link between natural resources and violent conflicts (Collier/Hoeffler 2001; Le Billon; 2001; de Soysa 2000). The central hypothesis—which is partly contradictory to the rentier state theory’s assumptions—is that resource-dependent countries are more likely to undergo internal instability and violent conflicts than countries which are not depending on the export of resources.

The mechanisms assumed to be responsible for this linkage include the fact that natural resources can be the *motive* for violent conflicts. This means that parts of the population might feel deprived of the financial benefits of the resource revenues—while possibly suffering from the ecological and social impacts of production (according to Collier/Hoeffler 2001: motive of *grievance*)—or that resource wealth can be the target of armed rebel activity with the objective of taking possession of the resource revenues (motive of *greed*). Furthermore, resource revenues can serve as a catalyst for violent conflicts by financing the rebel groups and

other actors involved (*opportunity; feasibility*) and can thus have a prolonging effect on conflicts (Collier/Hoeffler 2004; Le Billon 2001). Finally, resources and especially oil can also indirectly increase the likelihood of violent conflicts by weakening political institutions and/or by triggering socioeconomic decline. Authors such as Fearon and Laitin argue that “oil producers tend to have weaker state apparatuses than one would expect given their level of income because the rulers have less need of a socially intrusive and elaborate bureaucratic system to raise revenues” (Fearon/Laitin 2003: 16).

2.2 A Differentiated Approach through the Inclusion of Contextual Conditions

Referring to the contradictory empirical results of econometric studies, deficient databases, and the existence of various outliers—resource countries like Botswana, Chile or Norway, which are stable democracies and economically prospering—more recent literature on the resource curse has partly questioned the alleged resources-violence link (Hegre/Sambanis 2006; Bulte/Brunnschweiler 2006; Di John 2007). Several authors demand a further theoretical differentiation within the debate and suggest that the impact of certain contextual conditions is pivotal for the incidence or absence of the so-called resource curse. (Snyder/Bhavnani 2004; Boschini et al. 2004; Basedau 2005; Basedau/Lay 2007). Some authors, such as Di John (2007) and Rosser (2006), have underlined the potential relevance of external factors, “social forces,” and historical aspects, without so far testing them in in-depth empirical studies. Consequently, there is still a shortage of systematic comparative studies analyzing the effects of a broader set of contextual factors on the predicted resource-violence link.

This paper, which is part of a more extensive research project with a comparative research design,² aims to respond to this research gap. In the context of the research project, a sophisticated matrix of central contextual factors concerning the potential relation between resources and violence has been elaborated. Taking into consideration the assumptions of the recent and more differentiated branches of the resource curse approach, the insights of the rentier state theory, and the general theoretical approaches of peace and conflict research (Imbusch 2005; Senghaas 2004; Hegre/Sambanis 2006), this matrix encompasses the set of contextual factors presented in *Table 1*.

² In addition to the study of the petrostate Venezuela, case studies of Algeria, Iran and Nigeria have been completed as part of this research project and will culminate in a comparative study of the respective findings.

Table 1: Matrix of Central Resource-specific and Non-resource-specific Contextual Conditions:

	Resource-specific Contextual Conditions	Non-resource-specific Contextual Conditions
Domestic	<ul style="list-style-type: none"> • Type(s) of resource(s) • Degree of dependence • Degree of abundance • Location of resources within the country • Technical modes of extraction • Resource-sector management (production, distribution, use) • Actors involved in the resource sector • Economic distortions in oil economies 	<ul style="list-style-type: none"> • Level and dynamics of socio-economic development • Demographic factors • Geographic factors • Relations between identity groups (social, ethnic, or religious) • Efficiency and legitimacy of institutions (including security sector) • Sub-state actors (parties, civil society) • Behavioral patterns of the elites • Political culture • Political ideologies
International	<ul style="list-style-type: none"> • Geographical dispersion of resources (across borders, regionally, globally) • Internat'l governance of the resource sector (actors involved; existing regimes ...) • Dynamics and actors in international demand (price development, customer structure, Multi National Corporations involved) • External use of resource rents 	<ul style="list-style-type: none"> • Relations with neighboring countries, regional and great powers • Interdependence of the country (economic/political) • Importance of regional and international governance/ organizations • Level of violence in the region (spill-over effects)

Source: Author's own compilation based on Basedau 2005.

Internal resource-specific contextual conditions of potential impact are the *type of resource* (oil, diamonds, wood, etc.) as well as the *location and technical manner of extraction*, which can make a difference because of the varying absolute value of the resources and because of the particular requirements for extraction, processing, and distribution (Le Billon 2003; Ross 2003, 2004). Furthermore, the *degree of dependence and abundance*—which are not identical phenomena as is often claimed in empirical studies—are of importance (Basedau/Lay, forthcoming): a country can depend heavily on oil exports, whilst abundance, measured in per capita resource income, is quite low—for example, in Nigeria, where, statistically speaking, an individual Nigerian would have earned only 30 cents a day from national oil exports in 2002. It is presumable that the effects of oil on violence in Nigeria vary significantly from those in a country like Equatorial Guinea, where the oil earnings per capita are 50 times higher (Basedau 2005: 25). Moreover, *resource-sector management* can differ substantially; who receives the resource rents and how they are redistributed and spent (for example, broad redistribution versus deployment through quite restricted clientelistic channels) seems to be significant and can avoid or trigger violence. This latter aspect also includes the question of the transparency and effectiveness of the particular management process (Fjelde 2006; Luong/Weinthal 2006).

External resource-specific conditions which should be taken into consideration include the *international governance of the resource sector*. This means the actors involved, especially multinational companies, as well as the *existing regimes*, which constitute the legal basis of transnational resource trading (Bannon/Collier 2003). Another aspect is the *international demand and customer structures*. This obviously includes not only the dynamics of the international oil price (boom and bust cycles), but also potential international rivalry for the control of resources that could trigger international conflicts (Giordano et al. 2005; Humphreys 2005). Finally, the *external use of the resource rents* by the respective political elite, which can be cooperative, offensive or aggressive, determines the particular impact of natural resources.

The central internal non-resource-specific contextual condition is certainly the *level and dynamics of socioeconomic development*. This refers to the situation before the beginning of resource extraction, which determines the internal conflictivity of a country independently of the resources (Imbusch 2005) and may also influence the subsequent handling of the resources and the resource rents (Soares de Oliveira 2005). Furthermore, within the peace and conflict literature, *ethnic or religious cleavages* are generally considered to boost the probability of civil war (Fearon/Laitin 2003). They can be further inflamed by struggles over the ownership and distribution of resources. The *quality and performance of political institutions* (efficiency and legitimacy) is of basic importance for the political stability of any given country. It is therefore logical that this applies to the question of conflictivity in resource-dependent countries as well. Moreover, the general performance of the political and economic institutions moulds the specific resource-management approach and thereby influences the level of violence and conflict (Boschini et al. 2004). Finally, the *behavioral patterns of the elite* as well as the strength and autonomy of the *civil society* can be relevant in triggering or avoiding violence.

External non-resource-specific conditions which potentially determine the level of violence include the *economic and political interdependence* of the respective country. It can be assumed that countries with little international economic integration can be considered to be more prone to violence than those characterized by strong and diversified economic interdependence. Furthermore, *regional and international organizations* can play an important role. A low density of international regulation increases the likelihood of international and also internal violence, while integration in a tight and effective network of international organizations might impede conflict (Zangl/Zürn 2004). In addition, the *level of violence in the region* should be observed: according to the findings of the majority of empirical conflict studies, violence in neighboring countries triggers spillover effects (e.g., Hegre/Sambanis 2006). Finally, the general nature of *relations with neighboring states and the great powers* are of importance.

In sum, the main assumptions of the context approach introduced here are that the influence of resource wealth on violence is limited and that the respective impact depends decisively on additional contextual conditions. Secondly, it is hypothesized that the more such negative resource-specific and non-resource-specific contextual conditions presented above are at

work, the more probable violence is. Even so, it is not expected that the contextual conditions operate according to a simple, linear interplay.

The precise impact of the resource-specific and non-resource-specific contextual conditions from the above matrix with respect to the Venezuelan case will be analyzed in the following sections using an exploratory and comparative-historical perspective. The findings shall then, in a further step, be compared to the insights of the other case studies within the research project, and—as far as possible—generalizations shall be made. The principal purpose is to identify new findings for the academic debate on the general link between resources and violence and to differentiate the existing theories. In addition, the systematic comparative approach may also open up new, innovative perspectives in the study of Venezuela which may not be evident within cases studies taking an exclusively country-specific perspective.

3 Case Study of the Petrostate Venezuela

Oil production in Venezuela began in 1917, yet by 1925 oil production accounted for more than 50 percent of the country's national export revenues. Oil has remained the country's principal export product up to today. Venezuela owns the largest oil reserves of the American continent and is, together with Mexico, one of the two main oil-exporting countries of the Americas.

At first, the development of the country into a petrostate widely “complied” with the assumptions of the rentier state theory: the repressive dictatorship of General Juan Vicente Gómez (1908–1935) and his successors was supported with the increasing oil rents. These rents helped in the establishment of a well-equipped, centralized army and other national political institutions, and in the realization of massive public works programs and clientelistic distribution policies. However, in 1945 the dictatorship was overturned and a democratization process began—boosted by the indirect effects of oil.³ After a short interruption by another period of military rule (1948–1958), the installation of a stable and quite peaceful democracy followed. Indeed, Venezuela was for a long time one of the most settled, nonviolent democracies in Latin America,⁴ a fact which seriously challenges the classical theoretical approaches, which focus on the political and socioeconomic development of petrostates.

³ One of the results of the initial oil boom was the decline of the agricultural sector, inducing amongst other things the rapid urbanization of the country in the 1940s and 1950s. This urbanization, combined with the expansion of the public sector, led to the formation of an urban middle class which demanded more political participation and spread democratic political ideas. A more sophisticated analysis of the influence of oil (and other causal factors) on the process of democratization in Venezuela is beyond the scope of this paper. Those interested in the topic are referred to Karl 1987, Hein 1983.

⁴ The country has been considered a “textbook democracy” in Latin America by several authors (compare: Merkl 1981).

3.1 Contextual Factors and Causal Mechanisms Explaining the Low Level of Violence

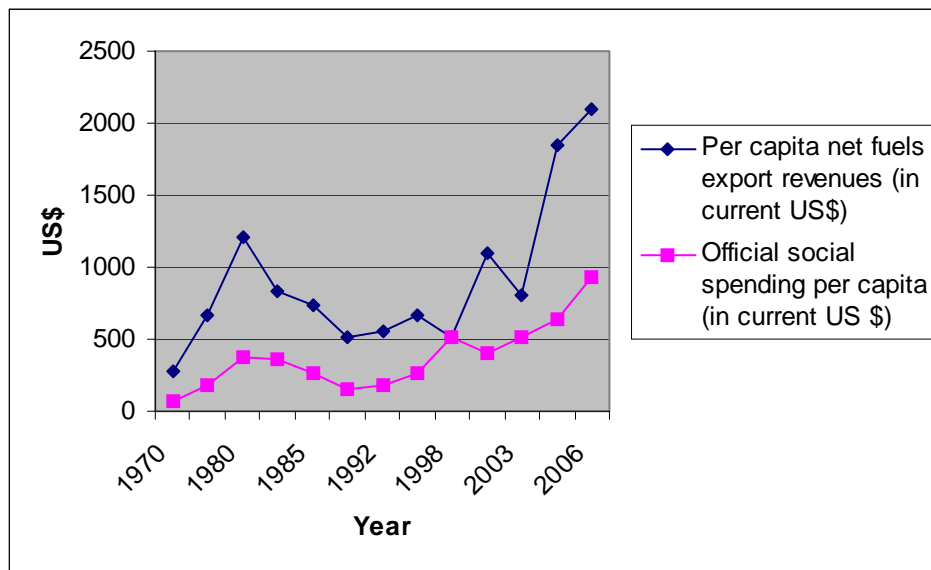
Resource-specific Contextual Conditions

The following central explanatory resource-specific contextual conditions, and the associated causal mechanisms, have determined the comparably low level of violence in Venezuela.

Degree of Abundance

Venezuela is not only highly dependent on the export of oil,⁵ it is also an oil-wealthy country in terms of income deriving from the oil sector. Due to its high level of oil production on the one hand and a rather small population on the other hand,⁶ oil rents per capita are relatively high. In 1982, for example, Venezuela had oil revenues per capita of more than US\$800, while the annual oil revenues per capita in Nigeria were less than US\$160. Thus, the possibility of welfare distribution, which can have stabilizing socioeconomic and political effects, has been much higher in Venezuela. (Although in general high oil revenues per capita do not automatically imply that the resource rents are indeed distributed in a large-scale manner).

Figure 1: Fuel-export Revenues and Official Social Spending, Per Capita in Venezuela



Source: Author's own calculations based on data from World Development Indicators and United Nations Commodity Trade Statistics Database. Data for social spending: 1970–2003: Maingon 2006a: 70 + Maingon 2006b: 247; Data 2004–2006: Weissbrot 2008: 6.

⁵ The high dependence of the economy on the oil sector is underlined by the fact that exports of this resource represent 25 percent of GDP (2006) and more than 50 percent of state revenues (bfai 2007: 4) (Historical development: 1917–1936: 29 percent of total state revenues; 1936–1945: 54 percent; 1945–1958: 71 percent (ECLAC 1960).

⁶ Until the 1990s Venezuela's population did not exceed 20 million. It is currently approximately 27 million.

Resource Management

As mentioned above, high oil rent per capita does not automatically mean that the whole population benefits from the oil wealth. Nevertheless, in Venezuela the political elites actually used to distribute oil rents broadly. An important step was the nationalization of the oil industry in 1976. This nationalization (in combination with the rising oil price) caused a significant increase in state income, which was transferred at least partly through increased sociopolitical measures and other indirect methods such as an inflated state sector, high salaries in the public sector, import subsidies, and, increasingly, corruption. Public sector employment, for example, grew from 6.7 percent of the labor force in 1950 to 19.1 percent in 1971 and 24.4 percent in 1981 (Roberts 2003: 46-47). Social spending increased significantly between 1970 and 1980 (García/Salvato 2006: 249), and most medical services in Venezuela were free of charge until the 1980s (España 1989: 168). In interaction with the fundamental condition of a relatively high level of per capita resource abundance, the resource-management approach led to the satisfying of large parts of the population and the strengthened legitimacy of political actors and institutions. This in turn can be considered to be one of the central reasons—in contrast to other resource countries (see: Collier/Hoeffler (2001)—for grievance-related violent conflicts in Venezuela.

The large-scale direct and indirect distribution of oil rents can furthermore be considered to be one of the reasons of the failure of the Venezuelan guerrilla movement in the 1960s.⁷ The *guerrilleros* could not find broad support or even acceptance within a population characterized by quite a high living standard.

Likewise, nowadays the large-scale distribution of oil rents is one of the central pillars of the Chávez government's political power, assuring satisfaction and loyalty towards the government from the poorer classes.⁸ This redistribution is realized not only through official social spending (see Table 3) but also through extensive and quite nontransparent additional spending by the national oil company *Petróleos de Venezuela S. A. (PDVSA)* (primarily through the much-discussed social missions); widespread corruption; and further expansion of the public sector. Corruption—as during the first oil boom in the 1970s—has increased enormously in recent years, and the country has dropped to position 158 out of 180 countries on the Corruption Perception Index (Transparency International 2008).

⁷ Further reasons include the relatively small and state-dependent worker's class, which impeded guerrilla-recruitment; the anti-Communist military support of the United States; and later the splitting of the guerrillas as a result of the active reintegration of parts of the leftist groups into the political system (e.g., through the declaration of an amnesty for leftist militants) (Werz 1990).

⁸ For instance, in an interview with the author, Alfredo Keller, president of the Venezuelan polling firm *Alfredo Keller and Associates*, underlined that the popularity of President Chávez grew significantly after the increase in social spending and, particularly, the expansion of the social missions in 2004.

Location of the Resources: Demographics of the Oil-exploitation Region

There are demographic factors which obviously have an impact on the weak linkage between oil and violence in Venezuela. The main oil production has for a long time taken place in the area of Maracaibo Basin; nevertheless, there are significant oil reserves in other regions of the country. It can be assumed that this widespread allocation—in interaction with the specific characteristics of Venezuela’s political system described below—decreases the probability of separatist conflicts that authors such as Le Billon (2001) often link to the existence of so-called “point resources” such as oil.

Even more important seems to be the fact that oil production takes place mainly in the very sparsely populated rain forest and the Orinoco Delta on the one hand and in the huge Lake Maracaibo on the other hand. In both cases, there are few inhabitants to be negatively affected by the side effects of oil production. This obviously does not mean that the oil production does not cause severe pollution; Lake Maracaibo is completely contaminated with oil. Nevertheless, the probability of grievance-related conflicts and violence in the oil production areas like those in Ecuador or in the Niger Delta—where oil spills are directly destroying the livelihoods of the residents through the massive destruction of soil, the widespread dispersion of toxic materials, and the contamination of much of the water resources—is reduced.

External Actors, International Demand and Customer Structure

Venezuela exports approximately two-thirds of its oil to the United States. This means that about 11 to 15 percent of all US oil imports come from Venezuela. As a consequence of this high dependence, US –governments have generally been interested in seeing stable political conditions in Venezuela—at least to the extent that the regime is not violating US (oil) interests. The Venezuelan governments in turn, aware of the United States’ dependence, have usually been keen on good bilateral relations.

US oil companies have played an important role in the Venezuelan oil sector from the very beginning. The Gulf Oil Company and the Standard Oil Company established subsidiaries in Venezuela in the 1920s, when the national petroleum company’s capacity still was weak, and therefore became fairly “pre-eminent” (Rabe 1982: 34) in Venezuela. Operating under very generous conditions and making high profits, they expanded their investments and thus became highly interested in the continuity of stable rule, regardless of whether this was a dictatorship or democratic rule. Consequently, the oil companies indirectly fostered the military regimes of General Gómez and Colonel Pérez Jiménez⁹ as well as the democratic government of Betancourt and his successors. There were some disputes in the 1970s in the context of the nationalization of the Venezuelan oil sector in 1976. The foreign oil companies threatened the

⁹ See for example Philip 1982: 310: “Under Pérez Jiménez, they [the oil companies] responded to favorable treatment by strongly and vocally supporting a regime which was extremely unpopular within Venezuela.”

Venezuelan government that they would reduce oil production and demanded an intervention by the US government. However, as the oil companies were faced with the explosion of world oil prices and growing oil consumption within the United States, and as significant compensation was paid by the Venezuelan government, relations between the oil companies and the Venezuelan government remained harmonious, and the international oil companies at least indirectly supported subsequent governments.

Political Institutions: General Aspects of Efficiency and Legitimacy, and the Territorial Structure of the State

As mentioned above, the nature of the political system and the performance of its institutions before the beginning of resource extraction seems to be of importance when dealing with the specific effects of natural resources. Interestingly, before its “oil era” Venezuela was not made up of stable political institutions but was a highly decentralized country, characterized by the rule of regional *caudillos* and high-level internal conflicts. Not exclusively because of oil, but partly due to the emergence of the oil industry, the country experienced nation building and a rapid centralization of political power in the 1920s and 1930s.¹⁰ Initially an authoritarian regime, Venezuela became a democracy in 1945 for a short while, and has been one continuously since 1958. Hence, when the sudden oil boom began in the 1970s, the country had relatively stable democratic institutions that enjoyed high legitimacy within the population and that were a favorable starting point for enduring stability.

According to the constitution of 1961, Venezuela is a federal state. In practice, however, the federal states (*Estados*) have had limited responsibilities and the presidential system has consisted of a highly centralized administration, especially with respect to financial resources (Rangel Guerrero 2008: 366). The regional governments do not have independent tax revenues; furthermore, until 1989, when a decentralization process was begun—reluctantly—the governors of the federal states were appointed by the president and used to belong to the same political party as the central government.

This strong centralization clearly limited the consolidation of participatory elements of democracy and the modernization of the political system in the long run (Brewer-Carías 2004: 2; Sánchez Carillo 2007: 8). However, it also served to stabilize political power by reducing the probability of a (violent) power struggle between local or regional forces and the central government as well as the probability of the separatist conflicts often associated with oil (Le Billon 2001; Ross 2004).

¹⁰ Thus the external factor of support from US governments and oil –companies—increasingly interested in oil from Venezuela—played an additional role in stabilizing the authoritarian rulers in Venezuela in this period. For further details see Tarver/Frederick 2006: 79-84.

Political Institutions: The So-called Partidocracia System

An important contextual condition which includes institutional aspects as well as the behavioral patterns of the elites (see below) is the so-called *partidocracia system* (in the attempt at an English translation, Coppedge (1994) used the term “partyarchy”), established in 1958 with the Pacto de Punto Fijo.¹¹ The democratization process after 1958 was ensured by a power-sharing alliance composed of the main political parties—Acción Democrática (AD), Comité de Organización Política Electoral Independiente (COPEI), and Unión Republicana Democrática (URD)—and the most important social forces—the military,¹² the church, the major business association, and the moderate labor unions.

This political pact, which existed until the end of the 1980s, was characterized not only by the presence of extremely strong political parties¹³ and other intermediate organizations but also by the intention of conflict avoidance and a high level of internal party discipline among the political elites. The interplay of these contextual aspects had a significant impact on (democratic) stability and the absence of violence in Venezuela.

With regard to the reasons for the elites’ exceptional willingness to compromise, several authors have stressed the importance of the “political learning” from the failed democracy between 1945 and 1948, which could have served as a lesson for the principal political actors (Karl 1987: 75; Smith/Kraus 2005). At that time the strongest political party, AD, had monopolized political power and through this provoked the growing opposition of entrepreneurs, the Catholic Church, and parts of the military. The consequence was a military coup in 1948 and the following ten years of highly repressive military dictatorship under General Marcos Pérez Jiménez. An additional reason for the willingness to cooperate could have been that the experience of repression and/or exile had taught the democratic parties internal discipline as well as the importance of cooperation: during the dictatorship of Pérez Jiménez many of the democratic party leaders were forced to leave Venezuela and continued their political work under adverse circumstances from abroad.

In practice, the *partidocracia system* was based not only on the aforementioned institutionalization and the consensus-oriented behavioral patterns of the elites, but also—and increasingly as the years went by—on clientelism and patronage networks. The main actors within these networks were the two principal parties, AD and COPEI, as well as the interest groups FEDECAMARAS (the entrepreneurial Federación de Cámaras y Asociaciones de Comercio y Producción de Venezuela / Venezuelan Chamber of Business and Manufacturing Associations) and CTV (the workers’ union Confederación de Trabajadores de Venezuela / Venezue-

¹¹ For a detailed analysis see also Karl 1987; Levine 1978.

¹² A clearly double-edged measure was the 1959 guarantee of amnesty for the army for all human rights abuses committed during Pérez Jiménez’s rule, which was meant to obtain the benevolence and cooperation of the military actors.

¹³ Whose decisive role in national politics was underlined by the constitution of 1961.

lan Federation of Labor Unions) (Roberts 2003: 47). These close clientelistic networks led to, among other things, the creation of a hardly autonomous civil society in Venezuela (Werz 1984: 79). Moreover, a certain political pressure was exercised by the political party leaders. Deviations from the party line were immediately punished with exclusion from the party and deprivation of the associated benefits (Schultz 2002: 238). Further, the political parties exerted influence on the allocation of staff in the upper and middle positions of the public administration. The various clientelistic structures had, at least initially, an additional stabilizing and conflict-reducing effect. In the long run they continuously reduced the efficiency of the political institutions and the public administration, which were marked by a growing waste of resources and excessive corruption (Boeckh 1997: 289 -302).

A final aspect worth mentioning is that the *partidocracia* system was realized by excluding several leftist organizations, for example, the Communist Party of Venezuela (PCV). While this exclusion helped to consolidate internal stabilization in the first years after democratic transition, it indirectly fostered the radicalization of some leftist groups and furthermore had long-term consequences for Venezuelan democracy. The latter will be analyzed in Section 3.3.

Relations between Identity Groups

In terms of religion, Venezuela is a homogenous country. Moreover, it is barely ethnically polarized in the sense of conflicting ethnic groups. More than 90 percent of the population is Catholic, and more than two-thirds of the population is made up of so-called *mestizos*, people who are descended from white, black, and indigenous people.¹⁴ Consequently, ethnic identities have never played a significant role for the majority of the Venezuelans. Furthermore, although indigenous groups have been discriminated against in practice,¹⁵ there has been a very limited conflict potential among these groups as they constitute less than two percent of the population and are widely scattered across remote areas of the country. In sum, there are no relevant ethnic, religious or regional cleavages (BTI 2003: 12) that have boosted existing conflict constellations like in other resource countries (for example, Nigeria). Moreover, in interplay with the absence of relevant cultural cleavages, the sense of national identity within the Venezuelan population is generally strongly pronounced relative to other regional or local identities.¹⁶

¹⁴ The rest of the population can be subdivided into approximately 20 percent white people and about 10 percent black people. (Centre for the Study of Civil War "Ethnic Composition Data", in: <http://www.prio.no/CSCW/Datasets/Economic-and-Socio-Demographic/Ethnic-Composition-Data/>).

¹⁵ This discrimination finds its expression, for example, in expulsion from traditional territories and deficiencies in guaranteeing de facto juridical and social equality.

¹⁶ This has been confirmed to the author by several interviewees; for instance, Pedro Luis Espana, director of the Instituto de Investigaciones Económicas y Sociales de la Universidad Católica Andrés Bello (Institute of Economic and Social Research of the Andrés Bello Catholic University), in an interview on February 8, 2008.

Relations with Neighboring Countries and Regional and Great Powers: The US Influence

Ultimately, it can be assumed that certain international political relations and international cooperation have contributed to the low level of violence in Venezuela. This would for instance include the backing of the *partidocracia* system by US governments. Obviously, as was elaborated before, bilateral relations between the two countries are considerably influenced by oil, but the relations explicitly exceed this one dimension.

External support from the United States indeed began hesitantly: the US government of President Eisenhower did not support the process of democratization itself, as it had previously had cordial relations with the Venezuelan dictator, Pérez Jiménez, who was overthrown in 1958 (Rabe 1982: 126). As a result, the first comments on the new democratic president Betancourt were quite reluctant. Nevertheless, the US endorsed him and the AD as the seemingly most reliable bulwark against a further expansion of Communism. After receiving “assurances from Betancourt that foreign investment would be respected” (Rabe 1982: 134), the US government made up its mind and actively supported the new Venezuelan government. They particularly backed the Venezuelan regime at the beginning of the 1960s when guerrilla groups temporarily emerged in Venezuela and the US government feared a possible Cuban infiltration. Close security connections were established and substantial economic aid was given. Thus, “between 1961 and 1965, the United States supplied over \$60 million in credits and grants for military equipment and training, twice the amount of military aid supplied during the 1950s” (Rabe 1982: 146). While economic aid was significantly reduced in the second half of the 1960s, military aid remained important.

In the 1970s and 1980s, the (stabilizing) US influence in Venezuela decreased as the Venezuelan governments were increasingly consolidating their power themselves. Some controversial bilateral disputes regarding the increasing oil price and the international influence of OPEC, which was founded with the strong involvement of Venezuelan politicians, occurred. Fundamentally, though, bilateral relations remained close and friendly until 1999.

Importance of Regional and International Organizations: The Organization of American States

Another external factor which has had—though to a lower degree—some conflict- and violence-reducing influence has been constituted by regional organizations such as the Organization of American States (OAS). Directly after the military coup against President Chávez in April 2002, the meeting of Latin American heads of government at an OAS Permanent Council unanimously denounced the coup and refused to recognize the new transitional government—even though the US was vacillating (Parish et al. 2007: 219). In the time following the failed coup, the OAS and a newly founded Tripartite Working Group (OAS, Carter Center, and UNDP) remained active and repeatedly urged the opponents to find a constitutional solution to the crisis. They promoted peaceful negotiations between the Chávez government

and the opposition in the context of the December 2002–February 2003 strike, and in the context of the recall referendum of August 2004 (ICG 2004: 12).¹⁷

Interim Conclusion: The Interplay of Resource-specific and Non-resource-specific Contextual Conditions

To summarize, several contextual conditions and associated mechanisms have been found that, independent of the effect of oil, represent a favorable basis for the stable, nonviolent political development of Venezuela since 1958. These factors are the absence of relevant ethnic and religious cleavages; the territorial structure of the state; the behavioral patterns of the elite; and—largely independent from the factor oil—the initial foundation of the *partidocracia system* and a rather advanced nation-building process.

In many cases, however, these causal mechanisms have operated as part of a complex interaction between multiple non-resource-specific and resource-specific contextual conditions. Oil has thus explicitly served as a conflict-reducing, stabilizing, and even democracy-promoting factor, principally through the large-scale distribution of sociopolitical benefits, an oversized state sector, broader clientelistic structures, and corruption.

What is remarkable is the inherent dynamism of certain transmission channels (for example, the impact of clientelism and corruption). This results in the possibility of changing effects over different time periods, an aspect that will be revisited later on.

Especially in the 1960s, the stabilizing influence of the United States—which was highly interested not only in the oil business and oil imports but also in deterring a potential Communist expansion—was important. This influence began to decline in the 1970s.

Of some, but rather secondary, importance seems to be the level of violence in the region as a whole and the possible spillover effects linked to it. Although the Cuban revolution had some such effects, they were rather elusive and of minor intensity. While a lot of the Latin American neighboring countries have been affected by violence and military dictatorship, Venezuela remained fairly unaffected until the end of the 1980s.

3.2 Description of the Periods of a Moderate Increase in Violence

In spite of the overall low level of violence in Venezuela, there have been three periods which saw a relative increase in internal violence. The first occurred in the context of the emergence of an armed guerilla movement in the middle of the 1960s; it was nevertheless relatively rapidly contained (see Section 3.1). The second period can be situated at the end of the 1980s and the beginning of the 1990s. The third period ranges from 2001 to the present. Focusing on the

¹⁷ For example, by convincing the government of Hugo Chávez and the opposition to sign an agreement in May 2003 that set forth mechanisms to help resolve the political crisis (Sullivan 2008: 9) and by providing an electoral observer mission during the recall referendum.

two more recent periods,¹⁸ the following discussion will identify those causal mechanisms that help to explain this increase in violence (or, put another way, will analyze which causal mechanisms had changed, so that the increase in violence can be understood).

First, however, the different dimensions and levels of violence shall be outlined briefly:

The definition of violence used in this paper is a narrow one and is limited to physical violence. It includes internal violent conflicts and uprisings as well as violent state repression. To measure the level and dynamics of violence, several sources have been employed: the UCDP-PRIO data set;¹⁹ the Conflict Barometer of the Heidelberg Institute for International Conflict Research (HIIK);²⁰ and additionally, qualitative analysis, such as reports from Human Rights Watch, Crisis Group, Amnesty International, and the Venezuelan human rights organization PROVEA (Programa Venezolano de Educación-Acción en Derechos Humanos).

3.2.1 *Internal Conflicts at the End of the 1980s and the Beginning of the 1990s*

The first, quite sudden eruption of violence took place in February 1989 in the course of the so-called “*Caracazo*.” This event consisted of spontaneous uprisings in several cities throughout the country, which broadened to widespread unrest accompanied by pillaging. The state response was a violent military operation. Indications of death tolls are highly controversial and range from 277 (official national numbers)²¹ to more than one thousand people. In the course of the 1990s, frequent protests and demonstrations, which were partially violent but only in some cases resulted in casualties,²² took place.

A second dimension of the violence of the 1990s was two failed military coups d’état. The first occurred on February 4, 1992, under the command of, among others, Lieutenant Colonel Hugo Chávez, now president of the country. A second coup attempt, also led by young military officers but with the backing of civilians from the extreme left, took place on November 27, 1992 (Tarver/Frederick 2006: 143). While the February coup caused only a few deaths, the number of casualties in November was registered at 169.²³

¹⁸ Further analysis of the first period of increased violence simply goes beyond the scope of this paper. Moreover, it can be found in the existing studies of Joes (2004) or Tarver/Frederick 2006.

¹⁹ The UCDP-PRIO considers armed conflicts with at least 25 battle-related deaths per year.

²⁰ This *Conflict Barometer* proved to be quite beneficial in studying conflicts in Venezuela because it also includes low-level violent conflicts by using a qualitative definition of violence, differentiating between *latent conflict*, *manifest nonviolent conflict*, *violent crisis (medium and severe)* and *war*.

²¹ Ellner 2008: 95. Reports from Human Rights Watch indicate that “at least 398 persons were killed” (Human Rights Watch World Report – Venezuela (1994), in: http://www.hrw.org/legacy/reports/1994/WR94/Americas-11.htm#P560_269853 (12.1.2009). A Crisis Group Report from 2004 underlines the uncertainty concerning the real death toll, stating that the “uprising in Caracas [...] left perhaps as many as 1,000 or more dead in 1989” (Crisis Group 2004: 3).

²² For instance, in March 1991, when two students died in demonstrations, and in November 1991, when three people were killed in the context of protest marches.

²³ See UCDP-PRIO online data set; for the first coup attempt the estimates indicate 14 deaths.

3.2.2 *Internal Conflicts and Repression since 2001*

Since the election of President Hugo Chávez and especially since 2001, a deep polarization of Venezuelan society has been observable. This polarization has manifested itself in numerous mass protests, which have repeatedly been marked by violence and occasionally by fatalities. There have been periodic intensifications of the level of conflict in the run-up to elections or national referendums. For example, during mass demonstrations in the months before the recall referendum in summer 2004, at least fourteen people died in clashes between the opposition and the National Guard (ICG 2004: 1). In the context of a demonstration in December 2002, three people were shot by snipers and 29 people were injured (Latin American Weekly Report, 10 December 2002). Violent mass protests flared up again in May 2007 after the popular radio station RCTV was shut down and in October/November 2007 in the context of the constitutional reform. Violence generally comes from groups supportive of the government, from certain opposition groups, and from the security forces.

In April 2002, another failed coup d'état took place. Prior to the coup, clashes between a mass demonstration by the opposition and a counter-demonstration by supporters of President Chávez had led to the death of 15 people. The opposition blamed "*Chavistas*" for these casualties²⁴ and officially justified the subsequent coup d'état with reference to this act of violence. The leader of the employers association FEDECAMARAS, Petro Carmona, became interim president after the military high command had captured and deported president Chávez. Because of persisting mass protests by large parts of the population, another section of the armed forces (the Palace Guard) intervened again and Chávez was resituated as president. The total death toll of the coup attempt was 17 (Latin American Newsletters 2002: 2).

The second dimension of violence under President Chávez, which has recently been stressed by various critics of the Venezuelan leader, is political repression. Upon closer examination, however, it must be stated that only in particular cases (at least so far) has this repression been marked by violence in the sense of the specific use of physical force by actors of the government for political reasons. For instance, no torture for political reasons²⁵ is identifiable in Venezuela, and the death penalty has been abolished for all crimes. While there were hardly any political prisoners in the first years of Hugo Chávez's presidency, an increasing number of threats of imprisonment and arbitrary detentions of his political opponents have been observed in recent years. Furthermore, there have been some spectacular prosecutions of high-ranking political opponents for corruption, although the real background of the cases has not been clarified and is highly contested. Most cases of (political) repression are of an indirect type. Thus, on the one hand there is a general tendency towards an increase in auto-

²⁴ This accusation has still not been entirely clarified.

²⁵ Though torture by the police has been regularly reported in Amnesty International publications, under former governments as well as today, it is, as far as is determinable, not carried out for political reasons. The same goes for extrajudicial executions in Venezuela.

cratic structures in the Venezuelan political system.²⁶ This tendency signifies a kind of institutional violence in a broader sense but no physical force. Nevertheless, there are some cases where the clear distinction is not easily possible; for example, members of NGOs are faced with the danger of imprisonment because the legal regulations concerning foreign financial support of NGOs were changed in 2000 (Crisis Group 2007: 12). On the other hand, there are some measures which are more directly associated with violence: freedom of speech and of the press has been limited not only by new legislation but also through increased threats to and attacks on journalists and human rights defenders (AI 2007; Sullivan 2008: 28). The official discourses of politicians and especially of President Chávez are marked by the recourse to violence. Furthermore, there have been statements, albeit contentious ones, about threats of violence against (potential) opposition members by *Chavista* groups such as the Bolivarian Circles (e.g., Inter American Commission on Human Rights 2003; Peeler 2007). Strictly speaking, it must be added that not all human rights violations are carried out by the government and its supporters; they also result from a partly militant opposition and the problem of rising criminality in Venezuela.

3.3 Causal Mechanisms Explaining the Increase in Internal Violence

In order to answer the central questions regarding which mechanisms can explain the illustrated increase in violence and what oil has to do with these developments, the following sections will examine which stabilizing or conflict-reducing mechanisms that existed previously have been weakened or transformed.

3.3.1 *Violence at the End of the 1980s and the Beginning of the 1990s.*

Oil Abundance

The catalyst for the uprising of 1989 (*Caracazo*) was a dramatic increase in the price of gasoline and, in consequence, the prices for public transport. The unrest and spontaneous protests were joined by more and more discontented social and political groups. A central underlying cause of the uprising was the negative economic development of the country in the context of the collapse of the global oil price as of 1986 and the accompanying reduction in oil-export revenues (*Table 2*). This reduction was later aggravated by the reduced governmen-

²⁶ Central indicators of this tendency are the increasing centralization of power in the hands of the president by means of the politicization of the judiciary, a general weakening of the system of checks and balances, a degradation of federalism, and the abolition of the possibility of impeaching the president (see e.g.: Werz 2007; Copedge 2005). Furthermore, the role of political parties has been depleted by the new constitution of 1999, and Chávez has ruled with special powers by decree disproportionately often (former presidents of Venezuela also ruled by decree, but the constitution of 1999 extended the scope of this decree power). Ultimately, freedom of expression has been restricted by recent legislation, especially the Law on Social Responsibility of Radio and Television (December 2004).

tal share of total oil revenues due to a reform of national oil politics in 1989 (Mommer 2003: 29).²⁷

Table 2: Venezuelan Oil-export Revenues in US\$ Billion (Current Prices):

1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
18.1	16.3	15.5	13.8	14.7	12.80	7.2	9.2	7.9	9.9	14.4	12.2	11.4

Source: United Nations Commodity Trade Statistics Database.

Resource Management and Economic Distortions

However, the negative economic tendencies had already begun in 1982, when the oil price was still relatively high. The devaluation of the overvalued national currency, the bolivar, in February 1983 led to a continuous increase in inflation and food prices. Poverty, which in comparison to other Latin American countries had for a long time been quite low in Venezuela, rose sharply (*Table 3*), as did unemployment and informal employment (Maingon 2006: 71).

Table 3: National Poverty Rate (Headcount):

1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
24.3%	29.4%	33.3%	35.7%	37.2%	42.3%	43.6%	49.3%	52.4%	58.9%	68.9%	69.8%	62.4%

Source: Maingon 2006: 71.

The subsequent decline in the oil price—and, consequently, the decline of government revenues and public social spending (*Table 3*)—exacerbated an already existing downwards trend. The country had become the victim of a complex interaction of factors: significant *Dutch disease* effects, the increasingly inefficient squandering of government resources, and careless borrowing. The latter turned into a serious problem in the context of the increase in international interest rates, which in turn led to increased foreign debt. The situation was aggravated by the enormous flight of capital after 1983, which was caused by the rising economic uncertainty and deepened the vicious cycle (Schneider 1983: 1). Since the dominance of the oil sector had led to the decline of the national agricultural sector, the country had to import the majority of the food needed for the domestic market (Morales Espinoza 2002). As long as the oil revenues were high, the negative consequences were hardly noticeable. But with the sharp decline of oil abundance, the poorer classes in particular were severely hit by high food prices.

Moreover, when Carlos Andrés Pérez was elected president in 1989, he felt impelled, faced with the economic problems and the enormous debt service ratio, to adopt a stabilization

²⁷ The so-called *Apertura*, the enhanced opening of the Venezuelan oil industry to international private investment under favorable conditions with the aim of increasing oil production, especially in the new oil exploitation area of the *Faja del Orinoco*.

program, something which the IMF claimed was necessary. This program encompassed the deregulation of the exchange rate and a harsh cut in public expenditure (including the suspension of gasoline price subsidies) that triggered the uprising.

Political Institutions

The mainly socioeconomic causal mechanisms explaining the emergence of violent protests were enhanced by the progressive political delegitimization of the existing political institutions. The predominant practices of patronage, corruption, and the clientelistic distribution of state revenues were increasingly criticized by the Venezuelan population. Corruption did not yet play a decisive role within the discourses of the 1989 uprising, but it gained importance in the 1990s—triggered by popular indignation—when grievous corruption scandals erupted in 1990 and 1991. An opinion poll in 1992 showed “that 56 percent saw corruption as the major national problem” (Manzetti/Blake 1996: 684). The putschists of 1992 legitimized the coups d’état by pointing to, among other things, the enormous self-enrichment of the traditional elite through corruption. Interestingly, corruption had existed previously to a striking degree without being a cause of major popular indignation or protest.²⁸ Apparently because of the drastically diminished amount of distributable revenues, the resulting socioeconomic deterioration, and also the behavioral patterns of the political elites (for details see below), the attitude of the majority of the people changed fundamentally at the beginning of the 1990s. This resulted in widespread frustration with the political elites and changed the context in such a way that the omnipresent corruption became an additional reason for violent protests and conflicts. Thus, not only did oil have an indirect impact on the increase in conflictivity through the long-term degradation of political institutions—which became increasingly ineffective and inefficient—but the excessive corruption also triggered conflicts due to the indignation of the people, who were faced with a reduced income (a social-psychological factor).

A further aspect concerning the political institutions of the country was that the *partidocracia* system, which during former decades had guaranteed stability, now contributed to blocking essential reforms and made the system inflexible (Corrales 2000: 136-138; Coppedge 1992: 37). Once this system was in crisis, there hardly seemed to be a possibility of reform within it.²⁹ The existence of a link to the factor oil in this special case cannot be totally denied (as the

²⁸ Manzetti/Blake 1996: 683: “public opinion polls in the 1970s and early 1980s showed that while large majorities of Venezuelans acknowledged the presence of corruption at all levels of government, few placed it among the nation’s most pressing problems.” There are hardly any reliable standardized measurements of corruption for the 1970s and 1980s, but various researchers, such as Gustavo Coronel, confirm the high level of corruption in these decades: “From 1975 to 1998 Venezuelan corruption levels generally increased and stayed high” (Coronel 2006: 3).

²⁹ A further detail: the increase in informal work in the 1980s and 1990s meant not only precarious living conditions for a rising number of people, but also a loss of representativity, and consequently of power, on the part of the traditional workers’ unions that had been important pillars of the *partidocracia* system (Roberts 2003: 49).

specific configuration of the *partidocracia* system in Venezuela is not imaginable without the basis of the oil rents), but the influence of the oil rents should not be overestimated as it is rather a problem of the consequences of political pacts per se, something which can also occur in non-oil countries (Encarnación 2005: 182-203). Another political aspect that could be regarded as a causal or rather reinforcing mechanism of the violent conflicts was the marginalization of leftist groups and their exclusion from politics, which encouraged the radicalization of several of them. Actually, some ultra left-wing groups figured in the military coup attempt of November 1992 (Traver/Frederick 2006: 143).

Behavioral Patterns of Political Actors

The careless conduct of President Andrés Pérez's government in 1989 additionally fuelled the conflicts (Romero 1996). Immediately following an election campaign in which he exhaustively alluded to the "golden times" of his first presidency (1974–1979), he implemented harsh austerity measures without having explained or even announced them to either the population or his party. Moreover, the government reacted to the 1989 protests by declaring a state of emergency and ordering excessively violent repression by the military forces. This deepened the loss of confidence in the political elite among large segments of the population.

3.3.2 Internal Violence since 2001. Violence as Part of Internal Conflicts

The role and importance of oil in the conflicts between the government of President Chávez and the political opposition is highly controversial. Nevertheless, there are various indications that the conflicts—especially in the first years of the Chávez government—were at least partly caused and intensified by the struggle for access to oil rents.

Resource Management: Distribution and Use of Oil Rents

One indication of the significance of oil within the conflicts could be the outstanding role of CTV and FEDECAMARAS within the strikes and protests. Both organizations were among the highly privileged actors (also in terms of rent distribution) of the former clientelistic system and they were explicit losers in the changed context of the Chávez government as they had to face re-distributional politics on the part of the new government (Dunning 2008: 175). In April 2002, massive opposition protests, triggered by the new government's dismissal of the former board of directors of the state oil company PdVSA (ICG 2008), took place. Following an escalation, the protests ended in the coup attempt, and it was the leader of FEDECAMARAS, Pedro Carmona, who was head of the provisional government—a fact that underlines the importance of this organization within the radical opposition to the Chávez government (Ellner 2008: 114).

When the opposition enforced a general strike (notably in the oil sector) between December 2002 and February 2003, it was CTV which played a decisive role—in addition to the man-

agement of PdVSA.³⁰ In the strike, oil—in addition to being a *motive* for (violent) conflict—was used as a central *instrument* , raising the feasibility of demands such as the resignation of President Chávez. In doing so, the opposition actors proceeded regardless of the consequences for the national economy, which was severely and sustainably damaged by the sharp decline in oil production (see also *Behavioral patterns of actors*). With the subsequent mass dismissal of about 18,000 PdVSA employees and the appointment of new employees loyal to the government, the opposition was deprived of this instrument. The possibility of winning the struggle for authority over the distribution of oil rents in the short term was thereby removed. Meanwhile the relative weight of FEDECAMARAS und CTV within the opposition decreased continuously in favor of new forces such as student groups, new political parties, and, more recently, parts of the military.

External Use of Resource Rents

The offensive external use of oil rents can be regarded as a further indirect, external resource-specific contextual condition triggering the existent conflictivity. The Chávez government uses a significant amount of the oil revenues³¹ to support “friendly” governments and political activists,³² and thereby intends to disseminate the political ideology of the “Bolivarian Revolution” and expand the regional and international influence of the country.³³ These “friendly” governments include, among others, Cuba and Iran—countries that are internationally isolated and classified as *rogue states* by the United States. Consequently, these international contacts create an intended, international and regional polarization and have resulted in a very critical attitude on the part of many states towards the Venezuelan government. Nevertheless, this clearly existent polarization has so far not turned into violent bilateral conflict.³⁴ Still, the international “oil gifts” are also reinforcing internal conflictivity; for example, when the opposition attacks the president for squandering national wealth and not

³⁰ There also was an external (resource-specific) influence, which was the backing of the strike by the transnational oil companies (e.g., Exxon Mobil, Shell and BP).

³¹ The exact figures are debated; in August 2007 the *Miami Herald* published a listing that calculated Venezuelan international assistance and capital investment in energy projects at a total of US\$3 billion in 2005 and US\$ 8.8 billion in 2007 (including promised but not yet paid money).

³² Like the Landless Workers’ Movement (MST) in Brazil and potentially the Colombian guerrilla group FARC (Sullivan 2008: 58).

³³ Partly by providing direct financial support, but mostly by exporting oil on preferential terms and developing numerous international collaborations in the energy sector (The Associated Press, Aug 26, 2007: “Venezuelan funding to Latin America”).

³⁴ In March 2008 there was a short escalation of conflict between Venezuela and Colombia in consequence of the bombing of a FARC camp in Ecuador by the Colombian army. The Venezuelan government announced that it would send military troops to the border, and expelled the Colombian ambassador from Venezuela. Nevertheless, things calmed down quickly, and most analysts did not take the threats of the Venezuelan government seriously; in all likelihood there has not been a considerably number of troops sent to the border (Latin American Weekly Report – March 13, 2008).

employing it to the benefit of the Venezuelan population. This aspect is surely not the most relevant motive for the (violent) conflicts; it is, however, quite a common reproach of the opposition in Venezuela.

Although all in all there are serious indications that oil has had an influence on the increased level of violence since 2001 through the transmission channels presented here, it is obviously not the only explanatory factor.

Behavioral Patterns of Political Actors: The New and the Old Political Elite

With the presidency of Hugo Chávez, a profound transformation of the elite has taken place in Venezuela (Maihold 2008: 195). The old political elite has been removed from political office and, preponderantly, from public administration. As described above, this implies deprivation from sovereignty over the distribution of oil rents, but even if socioeconomic factors and especially oil play an important role in Venezuelan politics, the question of political power cannot be reduced to the direct and indirect influence of oil. The existing conflicts also have to be interpreted more generally as a struggle over political power between the old and new political elite. The former willingness to compromise (increasingly perverted by corruption and clientelism) has been superseded by an implacable antagonism between government and the opposition. The conduct and discourse of both the new and the old political elite are marked by severe partiality, mutual defamation, and black-and-white perspectives, all of which are clearly promoting the conflicts. In particular, President Chávez deliberately stirs up feelings when he insults the internal opposition, the multinational oil companies, or the United States (López Maya 2007: 190). But parts of the opposition are also fomenting the violent conflicts by clearly exhibiting uncompromising and undemocratic dispositions (Gratius 2007).

Political Ideas and Ideologies

Political-ideological factors are a further cause of the increased level of internal conflict. These factors can be roughly summarized using the keywords “defense of democracy.” It is certainly not always possible to easily identify whether the fear of an anti-democratic regression really is the motive for conflict or if it is just exploited to legitimate (internally as well as on the international stage) the opposition. Obviously both aspects are existent and vary depending on the particular segment of the opposition, which as a whole is quite heterogeneous. While it is not possible to realize a sophisticated analysis which distinguishes between the particular groups and actors in the context of this paper, it can be assumed that coming from the traditional corporate organizations, namely, CTV and FEDECAMARAS—which benefited heavily from the former distribution of the oil rents and have exhibited a sometimes not very democratic attitude as opposition actors—the argument of defending democratic values is less convincing.

Other opposition groups, for instance, parts of the student protest groups, indeed seem to be primarily driven by political motives. A fact that can be underlined by, among other things, their massive protests against the closure of the RCTV television station and in the context of the constitutional reform referendum in December 2007 (Werz 2007). In both cases the government's actions clearly had a political impact, constraining democratic rights. Other groups of the opposition demonstrate varying, more particular motives, which may partly include political goals. For example, the initial mass protests against the Chávez government at the beginning of 2001 were triggered by the educational reform, which reduced the influence of private schools and implemented new teaching units such as basic pre-military training for children (Penfold 2006: 15).

Economic Factors beyond the Oil Sector

Despite being of secondary importance, there are other socioeconomic factors which go beyond the oil sector boosting conflict between the government and opposition groups. These have to be regarded in the context of the government's target of implementing a new economic model as part of the "socialism for the twenty-first century" ("*socialismo del siglo veintiuno*"), which is marked by growing state intervention. The central components of this new economic policy have been land reform, initiated in 2001; the nationalization of key economic sectors, reinforced since 2007; and price controls for certain food products.

The land reform implies the possibility of the expropriation and redistribution of farmland. It has caused clashes, albeit primarily locally bounded ones, between the owners of large estates and peasants. Nonetheless, these conflicts have remained within reasonable limits, apparently because the reform was only partially realized (Gratius 2003: 3).

The nationalization of key sectors as well as the control of prices did not simply impact and infuriate the holders of the companies affected and the private producers. They also triggered widespread fear of a decline in the national economy (EIU 2007: 1) and have thus had the indirect impact of deepening antagonism between the government and opposition groups.

While the above-mentioned contextual conditions are first and foremost motives explaining, in general, the increase in internal conflictivity in recent years, the following factors particularly account for the violent nature of these clashes of interest.

Political Institutions

The decline of the traditional political parties and the *partidocracia* system which began in the second half of the 1980s was reinforced by the deliberate further deinstitutionalization of the political regime by the Chávez government.³⁵ For example, the debilitation of political parties through the Constitutional reform of 1999 and the creation of additional highly politicized

³⁵ For details see for example: Molina (2004).

government institutions, creating a “dual state structure” (Di John 2006: 55), impeded a conflict settlement within established institutions and thereby increased the likelihood of violence.

Relations with Neighbor States and the Great Powers

Highly relevant in this context are obviously Venezuela’s bilateral relations with the United States. While the first year of Hugo Chávez’s presidency was marked by a wait-and-see attitude, bilateral relations began to deteriorate when President Bush came to power in 2001 (Lapper 2006: 21). This was the result not only of the specific behaviors of the central political actors but also of the commitment of Hugo Chávez to the strong and successful promotion of a high-oil-price strategy within OPEC (Romero 2004: 144).

The US government in turn exerted influence on the internal political development of Venezuela with the assistance of opposition groups³⁶ and, more indirectly, through its increasingly provocative attitude towards the Bolivarian regime. There also have been rumors about the direct involvement of the US in the 2002 military coup; these have been rejected by the US government. The facts have remained quite controversial up to today, but it can at least be stated that the US government immediately recognized the new transitional government, “giving the impression that the administration had welcomed, even supported, Chávez’s forced departure” (Lapper 2006: 21). Following its apparent approval of the coup attempt and the resulting erosion of its credibility, not only in Venezuela but also in other Latin American countries and beyond (ICG 2004: 6-7), the US changed its behavior and showed more reluctance towards President Chávez and the Venezuelan government. It still funds opposition groups, and in 2006 it imposed a weapons embargo on Venezuela, justifying the move by citing the latter’s lack of cooperation in anti-terrorism efforts.

To summarize, at least during the first years of the Chávez government, the actions of the United States contributed to an intensification of the Venezuelan government’s confrontational internal and international behavior. Nevertheless, the two countries remain highly interdependent in economic terms. This fact has clearly helped to impede, so far, an escalation of the bilateral conflicts and casts doubt on the seriousness of President Chávez’s threats to stop selling oil to the US (Sullivan 2008: 44).

3.3.3 Causal Mechanisms Explaining the Increase in Repression

As a start, it must be repeated that the level of openly violent state repression is increasing but is not overwhelming. Thus, this analysis deals mainly with the causes of political and social restrictions; threats of violence; and a potential future increase in violent repression, as

³⁶ For example, the funding of the NGO Súmate, which was involved in initiating the recall referendum. Furthermore, the US government has funded the workers’ union CTV. The political organizations were financed through the National Endowment for Democracy (NED); as early as 1999 Venezuela was “ranked the highest of eleven countries in the region for NED-funded programs” (Clement 2007: 191).

structural conditions have indeed been laid in this direction. The causal mechanisms here are partly identical to the causal mechanisms explaining the increase in internal conflicts presented above; nevertheless, there are also independent explanatory variables. These shall be primarily addressed in the following section.

Oil Abundance and Resource Management

As the oil price increased, reaching a peak of US\$147 per barrel in summer 2008, the Venezuelan government had an enormous amount of extra income. In the year 2007 this meant around US\$50 billion total oil-export earnings. The money was partly spent on an arms build-up. While the obtainable official data on military spending allude to this trend (*Table 4*), the effective increase in international arms purchases by the Venezuelan government in recent years is estimated to be even higher.³⁷ Since the imposition of an arms embargo by the United States, Venezuela has primarily been purchasing weapons from Russia and, to a lower extent, from Spain, and is planning to expand its weapons trade with China. This choice of trade partners make the increase in military expenditures a particularly explosive geopolitical issue.

Nevertheless, the poor status of the Venezuelan military forces also has to be taken into consideration (Bromley/Perdomo 2005: 13), as does the fact that Venezuelan weapons purchases are still less extensive than those of Brazil, Chile, or Colombia (Maihold, G. 2008: 14). In an international comparison they are actually well below the average.

Table 4: Official Military Expenditure in US\$ Billion (Constant 2005 Prices):

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
1.09	1.79	1.25	1.03	1.13	1.49	1.24	1.13	1.42	1.89	1.88	2.00

Source: The SIPRI Military Expenditure Database - Military expenditure of Venezuela, in: <http://milexdata.sipri.org/result.php4> (figures for 1998, 2006 and 2007 are for the adopted budget rather than for actual expenditure).

According to authors such as Michael Ross, the build-up of arms can be used for violent political repression (Ross 2001; Karl 2007). As demonstrated above, this cannot be automatically presumed and has so far not occurred on a large scale in Venezuela. Nevertheless, there has been an obvious increase in the potential for this to happen, if it were to be considered necessary by the government.

³⁷ Venezuela has spent “more than \$3 billion in arms purchases from Russia over the past two years [2006-2007]. [...] This includes contracts to buy 24 Sukhoi Su-30 fighter jets, 50 military helicopters, 100,000 Kalashnikov assault rifles, a license to build a factory to produce Kalashnikov rifles in Venezuela, and several submarines” (Sullivan 2008: 40; 49).

Political Culture and the Behavioral Patterns of Political Actors

Oil is by far not the only factor explaining the repressionist tendencies of the current Venezuelan government. Another reason is the highly polarized political culture described above, where both sides, the government as well as the opposition, are fostering a general friend or foe dynamic. In this sense, the undemocratic actions of the opposition (culminating in the coup d'état of 2002) have likewise contributed to the political hardening of the governmental actors.

A further factor which needs to be taken into consideration is President Chávez's military past. He has been a member of the armed forces since 1971 and participated in the military coup of 1992. Yet in the mid-1990s he stated "that he wouldn't participate in any election process and would look for his own way" (Sonntag 2007: 20), a statement which implies a not too consolidated commitment to democratic principles. With this military background has come an increasing importance of military actors in politics, something which is potentially menacing to democratic principles. The constitution of 1999 granted the military the right to vote and expanded its activities to include sociopolitical functions. Meanwhile, there are now about 2,000 positions filled by members of the military within the public administration (Werz 2007: 14). Finally, in April 2007 President Chávez declared the end of the neutrality of the armed forces, which up to then had been codified in the constitution.

Political Institutions

The decline of the *partidocracia* system as well as the political reforms of the Chávez government (see above) not only hampered conflict settlement within established political institutions but also fostered the personalization of politics and the centralization of power in the hands of the president. Through a process of reciprocal entanglement, this personalization and the increasing intransparency of political decision-making processes is providing fertile ground for autocratic (violent) political behaviour.

Relations with Neighboring Countries and Regional and Great Powers

On the one hand, the previously mentioned US support of opposition groups, the potential US support of the 2002 coup d'état, and the alleged threat of a US invasion have served to legitimate the expansion of military actors' influence in politics (Maihold 2008: 13). They have also allowed the new Venezuelan government to justify repressive measures such as restrictions on NGOs or aggression against certain critics—whom it accuses of collaboration with "US imperialism."

On the other hand, Russia, China and Spain, which are the countries providing Venezuela with an increased weapons reservoir, also have a certain degree of influence. The Russian influence is more far-reaching: the Russian government is backing the Venezuelan government because of geopolitical and economic concerns, and both countries have intensified their bi-

lateral relations in recent years. So far, this cooperation has not had a direct influence on repression in Venezuela, but it is a form of indirect support for the Chávez government, which could become more relevant in the event of further autocratic regression in Venezuela. Russian support could alleviate international isolation or potential sanctions against Venezuela. The intensified bilateral relationship is, moreover, generally increasing the international importance and power of the Venezuelan government.

Finally, Cuba and Fidel Castro have exerted both a direct and indirect influence on the recent political developments in Venezuela: Firstly, numerous Cuban medical professionals and teachers are working in Venezuela in return for the supply of large amounts of oil to Cuba. Secondly, President Chávez has announced on various occasions that he admires Fidel Castro. At least some of his politics and socialist ideas can clearly be attributed to his ideological affinity with the Cuban leader (Gratius 2005: 4).

Interplay of Resource-specific and Non-resource-specific Contextual Conditions and Internal Dynamics

It can be concluded that the reasons for the increase in violence in Venezuela consist of a complex interplay of various causal mechanisms. The impact and relative importance of the factor oil is much more obvious for the period at the end of the 1980s and the beginning of the 1990s than for the period since 2001. Especially with respect to actual repression in Venezuela, the influence of oil seems to be of low importance and rather indirect—merely through the erosion of political institutions.

A major cause of internal violent conflict—mainly at the end of the 1980s but also at the beginning of Chávez's presidency—has been socioeconomic factors. In the first period the indirect impact of oil abundance—that is, a significant *loss* of abundance—and the indirect economic distortions of the oil economy were of central importance. In contrast, in the more recent period—a period of gradually rising oil prices—oil has driven internal violence through a different mechanism: here distributional disputes over oil rents have played a substantial role and have driven an intensification of the ongoing conflicts. In addition, the performance of political institutions and the behavioral patterns of elites played a considerable role in the first period of conflict. The elites' behavioral patterns in particular operated basically independently from the aspect of oil.

External factors were of high relevance during the first period due to the development of the international oil price and the consequential decrease in oil wealth. An additional external factor, or rather the absence of this factor, was also of some importance: the vanishing intervention of the US governments, which had contributed to the internal stability of Venezuela in the 1960s.³⁸ The influence of external contextual conditions on the recent increase in violence is clearly less important than internal factors. Nevertheless, external factors such as the

³⁸ Although partly with the aid of quite suspect measures as far as democratic principles are concerned.

influence of the great powers—namely, the US and Russia, as well as international oil companies—should not be totally underestimated (nor should the indirect influence, as the Venezuelan government has instrumentalized this aspect of a potential external threat to legitimate certain internal reforms).

While political-ideological factors did not play a considerable role during the first period of conflict, they have had some influence in the second period. The moderate increase in the level of internal violence since the beginning of the Chávez presidency has been caused by an interplay of the socioeconomic, institutional-structural and political-ideological factors as well as the behavioral patterns of the elite presented above. These factors have reinforced each other: The factor oil, for instance, indirectly contributed to the long-term degradation of the political institutions and the decline in their efficiency through widespread corruption and clientelism. This, in turn, was at least one of the reasons why the new government bypassed these institutions. This evasion of institution-based politics, finally, has accounted for the further transfer of the conflicts to the streets.

Some contextual conditions have fostered conflicts and other forms of violence completely independently from the effects of oil. These are first of all the behavioral patterns of the elites and the previously indicated political-ideological contextual conditions. On the other hand, certain conflict-reducing or stabilizing contextual conditions analyzed in the first part of this paper remain effective and could therefore be credited with impeding a broader escalation of violence in Venezuela. These factors include the influence (albeit limited) of regional organizations and neighbor states in strengthening democracy and peaceful conflict resolution; the reduced but still existent functional capability of the established political institutions in the country; clientelistic networks, which assure the support of huge parts of the population (today with, in many cases, different actors); the large-scale distribution of oil rents through sociopolitical measures (especially since 2004); and, finally, aspects of political culture.

4 Conclusion

In sum, it can be concluded that oil in interaction with fluctuating non-resource-specific contextual conditions has in Venezuela both stabilized political rule and triggered conflict and violence.

Mainly by means of multidimensional distribution systems, oil contributed to the successful democratization and internal pacification processes in the 1960s; in addition, oil abundance also helped to consolidate “authoritarian peace” under General Vicente Gómez and has to some degree “sweetened” the recent authoritarian tendencies in the country.

Nonetheless, oil—in interplay with other major factors—has also been one of the causes of a (moderate) increase in violence in the country. With respect to the relative importance of the particular causal mechanisms, the impact of oil on violent conflictivity functions principally through socioeconomic channels: on the one hand, indirect mechanisms resulting from the

decline of oil abundance, the specific resource-management approach, and economic distortions have been at work; on the other hand, more recent conflicts have been intensified by the motive of control over resource revenues—regardless of the development of the oil price. Of additional, but rather subordinate, importance appears to be the indirect impact of oil through the long-term degradation of political institutions due to clientelism and corruption. Clientelism and corruption initially had a politically stabilizing effect, but in the long run they have deepened the delegitimization of the traditional political elite and thereby triggered conflicts. Hence, the rentier state theory's assumption that oil rents foster patronage networks, clientelism and assistentialist distribution policies clearly applies to the case of Venezuela. However, the consequences with reference to internal stability versus violent conflictivity are not as unambiguous as predicted by these authors: the inherent dynamism of the impact of corruption—short-term versus long-term impact and variable social-psychological implications—has to be taken into consideration.

It has been demonstrated that oil is one of the causes of violent conflicts, but oil alone by no means sufficiently accounts for the violent conflicts and, even more so, the different dimensions of violence. Indeed, the contemporaneous repressive tendencies (that is, no directly *violent* repression) can be explained only marginally by the factor of oil.

Seen from a comparative-historical perspective, the impact of non-resource-specific contextual conditions on contemporary internal violence in Venezuela seems to now be more important than during the previous period of conflict at the end of the 1980s and the beginning of the 1990s. These conditions are primarily the behavioral patterns of elites, political-ideological factors, political institutions, and aspects of general political power. A more precise differentiation between the different groups of actors participating in the conflict has also proven to be necessary for further research.

The results explicitly underline the crucial importance of specific contextual factors and their interplay, and thereby contribute to the further differentiation of the present academic debate on oil and violence. Based on this paper, further research will be undertaken to test, and then systematize and generalize, the findings through comparative analysis. The following questions are of particular interest: Do other cases confirm the high importance of the behavioral patterns of elites? Do other cases confirm the ambiguous impact of clientelism and corruption? And finally, if other cases confirm the long-term degradation of political institutions through clientelism and corruption, what is the relative significance of this degradation for the level of violence?

Bibliography

- Amnesty International (2007): Venezuela Country Report 2007, in: <http://www.amnesty.org/en/region/venezuela/report-2007> (28.1.2009).
- Amnesty International (2008): Venezuela Country Report 2008, in: <http://www.amnesty.de/jahresbericht/2008/venezuela?destination=node%2F3038> (28.1.2009).
- Ashoff, Guido (1993): Wirtschaftspolitik in Venezuela 1973 - 1992: Von der Erdölbonanza zur sozioökonomischen Krise und Strukturanpassung, in: Lateinamerika. Analysen - Daten - Dokumentation, Nr. 21, 1993.
- Auty, Richard (1993): Sustaining Development in Mineral Economies. The Resource Curse Thesis, London: Routledge.
- Bannon, Ian/Collier, Paul (Hg.) (2003): Natural Resources and Violent Conflict. Options and Actions. Washington/DC: World Bank.
- Basedau, Matthias (2005): Context Matters – Rethinking the Resource Curse in sub-Saharan Africa, Working Papers Global and Area Studies, Working Paper Nr.1, edited by the German Overseas Institute (DÜI) Hamburg.
- Basedau, Matthias/Lacher, Wolfram (2006): A Paradox of Plenty? Rent Distribution and Political Stability in Oil States. GIGA Working Paper Series, No. 21, Hamburg, April 2006.
- Basedau, Matthias/Lay, Jann (i.E. 2009): Resource Curse or Rentier Peace? The Ambiguous Effects of Oil Wealth and Oil Dependence on Violent Conflict, in: Journal of Peace Research.
- Beblawi, Hazem (1987): The Rentier State in the Arab World, in: Beblawi, H./Luciani, G. (coord.): The Rentier State, New York: Croom Helm.
- Beck, Martin (2007): Der Rentierstaats-Ansatz und das Problem abweichender Fälle, in: Zeitschrift für Internationale Beziehungen, 14.1, pp. 43-70.
- Bertelsmann Transformation Index 2003 (2003): towards Democracy and Market Economy, in: http://bti2003.bertelsmann-transformation-index.de/index.php?id=93&tt_news=&type=98&L=1 (28.10.2008).
- Bfai (2007): Energiewirtschaft Venezuela 2006, in: https://www.bfai.de/ext/anlagen/PubAnlage_3607.pdf?show=true (28.10.2008).
- Boeckh, Andreas (1997): Venezuela: Die schmerzvolle Transformation eines Erdöllandes, in: Boeckh, Andreas/ Pawelka, Peter (Hrsg.): Staat, Markt und Rente in der internationalen Politik. Opladen: Westdt. Verlag.
- Boschini, Anne D./Pettersen, Jan/Roine, Jesper (2004): Resource Curse or not. A Question of Appropriability. Stockholm: Stockholm University, Department of Economy.
- Bromley, Mark/Perdomo, Catalina (2005): CBMs in Latin America and the effect of arms acquisitions by Venezuela. (Real Instituto El Cano: Working Paper No. 41/2005; 22/09/2005).

- Brunnschweiler, Christa N./Bulte, Erwin H. (2006): *The Resource Curse Revisited and Revisited: A Tale of Paradoxes and Red Herrings*, Economics Working Paper Series No. 06/61, ETH Zürich.
- CEPAL (2004): *Social Panorama of Latin America 2002-2003*. Santiago de Chile.
- CEPR (Center for Economic and Policy Research): *Social Spending in Venezuela (1990-2005)*, in: <http://www.cepr.net/index.php/social-spending-in-venezuela> (29.3.2009).
- Clement, Christopher I. (2005): *Confronting Hugo Chávez: U.S. "Democracy Promotion"*, in: *Latin American Perspectives*, Vol. 32, No. 3, 60-78 (2005), in: <http://lap.sagepub.com/cgi/reprint/32/3/60> (12.2.2009).
- Collier, Paul/Hoeffler, Anke (2001): *Greed and Grievance in Civil War*. Washington, DC: World Bank.
- Collier, Paul/Hoeffler, Anke (2004): *Greed and Grievance in Civil Wars*, *Oxford Economic Papers* Nr. 4 (56), pp. 563-595.
- Coppedge, Michael (1992): *Venezuela's Vulnerable Democracy*, in: *Journal of Democracy*, Vol. 3, No. 4 (October 1992), p. 32-45.
- Coppedge, Michael (2005): *Explaining Democratic Deterioration in Venezuela through Nested Inference*, in: Hagopian, Frances/ Mainwaring, Scott P. (2005): *The Third Wave of Democratization in Latin America*. Cambridge Univ. Press.
- Corrales, Javier (2000): *Presidents, ruling parties, and party rules: A theory on the politics of economic reform in Latin America*, in: *Comparative Politics (New York/N.Y.)*, 32 (January 2000) 2, pp. 127-149.
- Coronel, Gustavo (2006): *Corruption, Mismanagement, and Abuse of Power in Hugo Chávez's Venezuela*. CATO Institute: *Development Policy Analysis* no. 2, in: <http://www.cato.org/pubs/dpa/dpa2.pdf> (30.4.2009).
- ECLAC (1998): *The fiscal covenant: strengths, weaknesses, challenges*. Santiago de Chile: ECLAC.
- Encarnación, Omar G.: *Do political pacts freeze democracy?: Spanish and South American lessons*, in: *West European Politics (Abingdon)*, 28 (January 2005).
- De Soysa, Indra (2000): *Are Civil Wars Driven by Rapacity or Paucity?*, in: Berdal, M./Malone, D. (Hg.): *Greed and Grievance*, Boulder: Lynne Rienner, pp. 113-135.
- De Soysa, Indra (2002): *Paradise is a Bazaar? Greed, Creed and Grievance in Civil War 1989-1999*, in: *Journal of Peace Research*, 39 (4), pp. 395-416.
- DFID (2006): *La equidad fiscal en los países andinos: Bolivia - Colombia - Ecuador - Peru - Venezuela*, in: <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=828244> (01.12.2008).

- Di John, Jonathan (2006): The Political Economy of Industrial Policy in Venezuela, in: <http://www.cid.harvard.edu/events/papers/0604caf/DiJohn.doc> (13.1.2009).
- Di John, Jonathan (2007): Oil Abundance and Violent Political Conflict: A Critical Assessment, *Journal of Development Studies*, Nr. 6 (43), pp. 961–986.
- Dunning, Thad (2008): *Crude Democracy: Natural Resource Wealth and Political Regimes*. New York: Cambridge University Press.
- ECLAC (1960): *Economic Bulletin for Latin America*, No.1. Santiago de Chile: ECLAC. EIA, in: http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/company_level_imports/current/import.html (09.1.2009).
- España, Luis Pedro (1989): *Democracia y Renta Petrolera*. Caracas: Universidad Católica Andrés Bello.
- Fearon, James D. (2003): Ethnic and Cultural Diversity by Country, *Journal of Economic Growth*, Nr. 8(2), pp. 195–222.
- Fjelde, Hanne (2006): *Natural Resources, Quality of Government and Civil Conflict*, Paper prepared for presentation at the Annual Convention at the International Studies Association, San Diego, US 22-25 March.
- García, Haydée/ Salvato, Silvia (2006): Gasto social y equidad en Venezuela, in: Maingon, Thais (coord.): *Balance y perspectivas de la política social e Venezuela*, Caracas: ILDIS.
- Giordano, Mark F./ Giordano, Meredith/Wolf, Aaron T. (2005): International Resource Conflict and Mitigation, in: *Journal of Peace Research*, 42 (1), pp. 47-65.
- Gratius, Susanne (2003): Sicherheitsrisiko Venezuela? Ein polarisiertes Land. Berlin. Stiftung Wissenschaft und Politik, in: http://www.swp-berlin.org/common/get_document.php?asset_id=117 (2.12.2008).
- Gratius, Susanne (2004): Venezuela: Staatszerfall in einem polarisierten Land, in: Schneckener, Ulrich: *States at Risk. Fragile Staaten als Sicherheits- und Entwicklungsproblem*. Berlin: Stiftung Wissenschaft und Politik, pp. 84–104.
- Hegre, Havard/Sambanis, Nicholas (2006): Sensitivity Analysis of the Empirical Literature on Civil War Onset, *Journal of Conflict Resolution*, Nr. 4(50), pp. 508-535.
- Hein, Wolfgang (1983): *Weltmarktabhängigkeit und Endwicklung in einem Ölland: Das Beispiel Venezuela (1958-1978)*. Schriftenreihe des Instituts für Iberoamerika Kunde, Bd. 31, Hamburg.
- Human Rights Watch (1994): *Human Rights Watch World Report – Venezuela (1994)*, in: http://www.hrw.org/legacy/reports/1994/WR94/Americas-11.htm#P560_269853 (12.1.2009).
- Human Rights Watch (2008): *A Decade Under Chávez. Political Intolerance and Lost Opportunities for Advancing Human Rights in Venezuela*. New York: Human Rights Watch.

- Humphreys, Macartan. (2005): Natural resources, conflict, and conflict resolution: uncovering the mechanisms, in: *Journal of Conflict Resolution*, 49: pp. 508–37.
- Imbusch, Peter (2005): *Sozialwissenschaftliche Konflikttheorien – Ein Überblick, Friedens- und Konfliktforschung. Eine Einführung*, 3. überarbeitete Auflage, Wiesbaden: VS Verlag für Sozialwissenschaften, S. 145-180.
- Inter American Commission on Human Rights (2003): Annual Report of the Inter-American Commission on Human Rights 2003, in: <http://cidh.org/annualrep/2003eng/chap.4b.htm#VENEZUELA> (14.11.2008).
- International Crisis Group (2004): Venezuela: headed toward civil war? Latin America briefing, Quito/Brussels, 10 May 2004. Latin American Briefing N° 5, in: http://www.crisisgroup.org/home/index.cfm?action=login&ref_id=2738 (18.3.2009).
- International Crisis Group (2008): Crisis Group (2008): Venezuela: political reform or regime demise? Latin America Report N°27 – 23 July 2008, in: http://www.crisisgroup.org/home/index.cfm?action=conflict_search&l=1&t=1&c_country=115.
- Joes, Anthony James (2004): *Resisting rebellion: the history and politics of counterinsurgency*. Lexington/Ky. : The Univ. Pr. of Kentucky.
- Karl, Terry Lynn (1987): Petroleum and Political Pacts in Venezuela, in: *Latin American Research Review*, No. 22 (1), pp. 63-94.
- Karl, Terry Lynn (1997): *The Paradox of Plenty – Oil Booms and Petro-States*, Berkeley: University of California Press.
- Karl, Terry Lynn (2007): Oil-led Development: Social, Political and Economic consequences. CDDRL Working Papers, in: http://iis-db.stanford.edu/pubs/21537/No_80_Terry_Karl_-_Effects_of_Oil_Development.pdf (23.2.2009).
- Lapper, Richard (2006): Living with Hugo: U.S. Policy towards Hugo Chávez's Venezuela. CSR No. 20, November 2006; New York ...: Council on Foreign Relations.
- Latin American Newsletters (2002): Andean Group Report - 14 May 2002, in: <http://ilas.giga.netz/IberoDigital/Online-Publikationen/latinnews/latinnews2002/ra-02-04.pdf> (11.12.2008).
- Latin American Newsletters (2002): Latin American Weekly Report - 10 December 2002, in: <http://ilas.giga.netz/IberoDigital/Online-Publikationen/latinnews/latinnews2002/wr-02-49.pdf> (19.12.2008).
- Latin American Newsletters (2008): Latin American Weekly Report - 6 November 2008, in: <http://ilas.giga.netz/IberoDigital/Online-Publikationen/latinnews/latinnews2008/wr-08-44.pdf> (13.12.2008).
- Le Billon, Phillipe (2001): The Political Ecology of War. Natural Resources and Armed Conflict, in: *Political Geography* 20: 5, pp. 561-584.

- Le Billon (2003): *Fuelling War: Natural Resources and Armed Conflicts*, Adelphi Paper, No. 357.
- Levine, Daniel (1978): *Venezuela since 1958: the consolidation of democratic politics*, in: Linz, Juan J./ Stephan, Alfred (eds.): *The breakdown of democratic regimes: Latin America*. Baltimore: John Hopkins University Press, pp. 223-251.
- López Maya, Margarita (2007): *Las insurrecciones de la oposición en 2002 en Venezuela*, in: Maihold, Günther (ed.): *Venezuela en retrospectiva: los pasos hacia el régimen chavista*. Madrid: Iberoamericana.
- Luong, Pauline J./ Weinthal, Erika (2006): *Rethinking the Resource Curse: Ownership Structure, Institutional Capacity, and Domestic Constraints*, *Annual Review of Political Science* 9. Jg., pp. 241-263.
- Mahdavi, Hossein (1970): *The patterns and problems of economic development in rentier states*, in: M.A.Cook (ed.): *Studies in the Economic History of the Middle East*, London: Oxford Univ. Press.
- Maingon, Thais (2006): *Política social en Venezuela: 1999-2003*, in: *Cuadernos del CENDES*, ano 21, No. 55 (enero-abril 2004).
- Maihold, Günther (2008): *Schwerpunktsetzung, Kohärenz und politische Initiative. Elemente eines neuen Profils deutscher Lateinamerika-Politik*, in: *Lateinamerika Analysen*, No. 19, 1/2008, S. 189-216.
- Maihold, Günther (2008): *Außenpolitik als Provokation. Rhetorik und Realität in der Außenpolitik Venezuelas*. Berlin: Stiftung Wissenschaft und Politik.
- Manzetti/ Blake (1996): *Market reforms and corruption in Latin America*, in: *Review of International Political Economy* 3 (Winter 1996), pp. 671-682.
- Molina, José E. (2004): *The Unraveling of Venezuela's Party System: From Party Rule to Personalistic Politics and Deinstitutionalization*, in: McCoy, Jennifer L./ Myers, David: *The Unraveling of Representative Democracy in Venezuela*. Baltimore: Johns Hopkins University Press, pp. 152-178.
- Mommer, Bernard (2003): *Petróleo subversivo*, in: Lander, Luis E. (ed.): *Poder y Petróleo en Venezuela*. Caracas: Faces-UCV, pp. 19-39.
- Morales Espinoza, Agustín (2002): *El sector agrícola y el abastecimiento alimentario en los países exportadores de petróleo: el caso venezolano*, in: *Revista Venezolana de Economía y Ciencias Sociales*, 8 (Mayo-Agosto 2002) 2, pp. 103-128.
- Moreno León, José Ignacio: *Venezuela: la modernización de las finanzas públicas para superar el rentismo*, in: *Contribuciones* 2/1995, pp. 121-134.
- Ocampo, José Antonio (1998): *Income distribution, poverty and social expenditure in Latin America*. Paper presented at the First Conference of the Americas, held by the Organization of American States in Washington on 6 March 1998.

- OPEC (2003): Annual Statistical Bulletin 2002, in: <http://www.opec.org/library/Annual%20statistical%20Bulletin/pdf/AB002002.pdf> (19.11.2008).
- OPEC (2008): Annual Statistical Bulletin 2007, in: <http://www.opec.org/library/Annual%20Statistical%20Bulletin/pdf/ASB2007.pdf> (20.11.2008).
- Parish, Randall et al. (2007): Venezuela and the Collecitve Defence of Democracy Regime in the Americas, in: *Democratization*, Vol. 14, No. 2 April 2007.
- Peeler, John (2007): Elementos estructurales de la desestabilización de una democracia consolidada: la desconsolidación en Venezuela, in: Maihold, Günther (ed.): *Venezuela en retrospectiva. Los pasos hacia el régimen chavista*. Madrid: Iberoamericana, pp. 21-46.
- Penfold, Michael (2006): Clientelism and Social Funds: Empirical Evidence from Chávez's "Misiones" Programs in Venezuela, in: http://siteresources.worldbank.org/INTDECINEQ/Resources/1149208147789289867/IIIWB_Conference_Clientelism_and_Social_FundsREVISED.pdf (28.11.2008).
- Rabe, Stephen (1982): *The Road to OPEC: United States Relations with Venezuela, 1919-1976*. Austin: Univ. of Texas Press.
- Rangel Guerrero, Christi: „A veinte anos del inicio del proceso de descentralización“, in: *SIC* 708; Septiembre-October 2008.
- Roberts, Kenneth (2003): Social correlates of party system demise and populist resurgence in Venezuela, in: *Latin American Politics and society*, Vol 45 (Fall 2003) No. 3, pp. 35-57.
- Romero, Anibal (1996): Venezuela: democracy hangs on, in: *Journal of Democracy* (Baltimore/Md.), 7 (October 1996) 4, pp. 30-42.
- Romero, Carlos A. (2004): The United States and Venezuela: from a Special Relationship to Wary Neighbours, in: McCoy, Jennifer/Myers, David: *The unraveling of representative democracy in Venezuela*. Baltimore: John Hopkins Univ. Press.
- Ross, Michael (2001): Does Oil Hinder Democracy?, in: *World Politics*, 53 (April), pp. 325-361.
- Ross, Michael L. (2003): Oil, Drugs, and Diamonds. The Varying Roles of Natural Resources in Civil Wars, in: Ballentine, K./Sherman, J. (Hg.): *The Political Economy of Armed Conflict. Beyond Greed and Grievance*, Boulder: Lynne Rienner.
- Ross, Michael L. (2004): What Do We Know about Natural Resources and Civil War?, *Journal of Peace Research*, Nr. 41(3), pp. 337-356.
- Ross, Michael (2006): A Closer Look at Oil, Diamonds, and Civil War, *Annual Review of Political Science*, No. 9, pp. 265-300.
- Rosser, Andrew (2006): *The Political Economy of the Resource Curse: A Literature Survey*, IDS Working Paper, Nr. 268, Brighton.

- Ruf, Werner (Hg.) (2003): Politische Ökonomie der Gewalt. Staatszerfall und die Privatisierung von Gewalt und Krieg. Friedens- und Konfliktforschung, Bd.7, Opladen: Leske + Budrich.
- Sachs, Jeffrey D./Warner, Andrew (1995): Natural Resource Abundance and Economic Growth, Development Discussion Paper, Nr. 517a, Cambridge/MA: Harvard Institute for International Development.
- Sánchez Carrillo, Soledad (2007): Sistema político, federalismo y descentralización en Venezuela. Temas, conflictos y sentidos construidos durante el debate constituyente de 1999. Caracas: Universidad Central de Venezuela.
- Schneider, Ulrich (1983): Rapider Schwund der Devisenreserven in Venezuela zwingt Regierung zum Handeln, in: IIS-Auslandinformationen, 8/83 (13. April 1983), pp. 1-4.
- Schultz, Judith (2002): Präsidentsielle Demokratien in Lateinamerika. Eine Untersuchung der Präsidentsiellen Regierungssysteme von Costa Rica und Venezuela. Frankfurt: Vervuert.
- Senghaas, Dieter (2004): Zum irdischen Frieden. Erkenntnisse und Vermutungen, Frankfurt a. M.: Suhrkamp.
- Smith/Kraus (2005): Democracy despite oil: transition and consolidation in Latin America and Africa, in: http://www.allacademic.com//meta/p_mla_apa_research_citation/0/4/1/8/7/pages41879/p41879-1.php (22.11.2008).
- Snyder, Richard/Bhavnani, Ravi (2005): Diamonds, Bloods, and Taxes: A Revenue Centered Framework for Explaining Political Order, Journal of Conflict Resolution, Nr. 4(49), pp. 563-597.
- Soares de Oliveira (2005): Soares de Oliveira, Ricardo (2005), Context, Path Dependency and Oil-based Development in the Gulf of Guinea, paper presented for the DIE/FES/IAK Conference "Transforming Authoritarian Rentier Economies", Bonn, September 22-23, 2005.
- Sonntag, Heinz Rudolf (2007): Venezuela: from democratic regression to a new totalitarianism? Unpublished manuscript.
- Sullivan, Mark (2008): Venezuela: Political Conditions and U.S. Policy. CRS Report for Congress, in: <http://www.fas.org/sgp/crs/row/RL32488.pdf> (30.11.2008).
- Tarver, H. Michael/Frederick, Julia (2006): The History of Venezuela. Houndmills: Palgrave Macmillan.
- Tinker, Salas (2007): U.S. Oil Companies in Venezuela: The Forging of an Enduring Alliance, in: Ellner, Steve/Tinker Salas, Miguel (ed.): Venezuela: Hugo Chavez and the Decline of an Exceptional Democracy. Lanham: Rowman & Littlefield Publ., pp. 35-59.
- Weissbrot, Mark (2008): An Empty Research Agenda: The Creation of Myths About Contemporary Venezuela, in: http://www.cepr.net/documents/publications/venezuela_research_2008_03.pdf (21.12.2008).

- Werz, Nikolaus (1984): 25 Jahre Wahlen und Demokratie in Venezuela, in: Nohlen, Dieter (Hrsg.): Wahlen und Wahlpolitik in Lateinamerika. Heidelberg: Esprint Verlag.
- Werz, Nikolaus (1990): Venezuela: Demokratisierung der Demokratie durch eine Staatsreform?, in: Nolte, Detlef (Hrsg.): Lateinamerika im Umbruch?. (Schriftenreihe des IIK, Bd. 33).
- Werz, Nikolaus (2007): Hugo Chávez und der „Sozialismus des 21. Jahrhunderts. Ein Zwischenbericht, IAI: Berlin, in: http://www.iai.spk-berlin.de/fileadmin/dokumentenbibliothek/Ibero-Analysen/Ibero-Analysen_Heft_21.pdf (15.10.2008).
- Zangl, Bernhard/Zürn, Michael (Hg.) (2004): Verrechtlichung – Baustein für Global Governance, Bonn: Dietz.

Recent Issues

- No 111 Martin Beck: Oil-rent Boom in Iran?; October 2009
- No 110 Juliane Brach and Robert Kappel: Global Value Chains, Technology Transfer and Local Firm Upgrading in Non-OECD Countries; October 2009
- No 109 Heinz Jockers, Dirk Kohnert and Paul Nugent: The Successful Ghana Election of 2008 – a Convenient Myth? Ethnicity in Ghana’s Elections Revisited; September 2009
- No 108 Sebastian Huhn: The Culture of Fear and Control in Costa Rica (II): The Talk of Crime and Social Changes; September 2009
- No 107 David Shim: Shrimp amongst Whales? Assessing South Korea’s Regional-power Status; August 2009
- No 106 Günter Schucher: Where Minds Meet: The “Professionalization” of Cross-Strait Academic Exchange; August 2009
- No 105 Alexander Stroh: The Effects of Electoral Institutions in Rwanda: Why Proportional Representation Supports the Authoritarian Regime; July 2009
- No 104 Sebastian Huhn: The Culture of Fear and Control in Costa Rica (I): Crime Statistics and Law Enforcement; July 2009
- No 103 Günter Schucher: Liberalisierung in Zeiten der Instabilität: Spielräume unkonventioneller Partizipation im autoritären Regime der VR China [Liberalization in Times of Instability: Margins of Unconventional Participation in Chinese Authoritarianism]; June 2009
- No 102 Leslie Wehner: Power, Governance, and Ideas in Chile’s Free Trade Agreement Policy; May 2009
- No 101 Sebastian Huhn: Contested Cornerstones of Nonviolent National Self-Perception in Costa Rica: A Historical Approach; May 2009
- No 100 Matthias Basedau, Alexander Stroh: Ethnicity and Party Systems in Francophone Sub-Saharan Africa; May 2009
- No 99 Christian von Soest: Stagnation of a “Miracle”: Botswana’s Governance Record Revisited; April 2009
- No 98 Melanie Hanif: Indian Involvement in Afghanistan: Stepping Stone or Stumbling Block to Regional Hegemony?; April 2009

All GIGA Working Papers are available free of charge at www.giga-hamburg.de/workingpapers.
For any requests please contact: workingpapers@giga-hamburg.de.
Editor of the Working Paper Series: Martin Beck