



Hugo Chávez's Death: Implications for Venezuela and U.S. Relations

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The death of Venezuelan President Hugo Chávez on March 5, 2013, after 14 years of populist rule, has implications not only for Venezuela's political future, but potentially for the future of U.S.-Venezuelan relations. This report provides a brief discussion of those implications. For additional background on President Chávez's rule and U.S. policy, see CRS Report R40938, *Venezuela: Issues for Congress*, by Mark P. Sullivan.

Congress has had a strong interest in Venezuela and U.S. relations with Venezuela under the Chávez government. Among the concerns of U.S. policymakers has been the deterioration of human rights and democratic conditions, Venezuela's significant military arms purchases, lack of cooperation on anti-terrorism efforts, limited bilateral anti-drug cooperation, and Venezuela's relations with Cuba and Iran.

The United States traditionally enjoyed close relations with Venezuela, but there has been considerable friction in relations under the Chávez government. U.S. policymakers have expressed hope for a new era in U.S.-Venezuelan relations in the post-Chávez era. While this might not be possible while Venezuela soon gears up for a presidential campaign, there may be an opportunity in the aftermath of the election.

The Venezuelan Constitution calls for a new presidential election within 30 days; an election has now been scheduled for April 14, 2013. Acting President Nicolás Maduro, who had been serving as Vice President until Chávez's death, is the presidential candidate for the ruling United Socialist Party of Venezuela (PSUV), while Henrique Capriles, governor of Miranda state, who ran in the October 2012 presidential election, is the candidate for the opposition Democratic Unity Platform (*MUD, Mesa de la Unidad Democrática*). Many observers expect that the outpouring of sympathy for President Chávez, as well as the fact that Chávez himself called on his supporters to elect Maduro if anything were to happen to him, bode well for Maduro's election prospects. Whoever wins the election will face enormous economic and political challenges.

Background

Dating back to mid-2011, President Chávez's precarious health raised questions about Venezuela's political future. Chávez had been battling an undisclosed form of cancer since June 2011 when he underwent emergency surgery in Cuba for a "pelvic abscess" followed by a second operation to remove a cancerous tumor. After several rounds of chemotherapy, Chávez declared in October 2011 that he had beaten cancer. In February 2012, however, Chávez traveled to Cuba for surgery to treat a new lesion and confirmed in early March that his cancer had returned. After multiple rounds of radiation treatment, Chávez once again announced in July 2012 that he was "cancer free." After winning reelection to another six-year term in October 2012, Chávez returned to Cuba the following month for medical treatment. Once back in Venezuela, Chávez announced on December 8, 2012, that his cancer had returned and that he would undergo a fourth cancer surgery in Cuba.

Most significantly, Chávez announced at the same time his support for Vice President Nicolás Maduro if anything were to happen to him. Maduro had been sworn into office on October 13, 2012. Under Venezuela's Constitution, the president has the power to appoint and remove the vice president; it is not an elected position. According to Chávez: "If something happens that sidelines me, which under the Constitution requires a new presidential election, you should elect Nicolás

Maduro.”¹ Chávez faced complications during and after his December 11, 2012 surgery, and while there were some indications of improvement by Christmas 2012, by year’s end the President faced new respiratory complications.

After considerable public speculation about the presidential inauguration scheduled for January 10, 2013, Vice President Maduro announced on January 8 that Chávez would not be sworn in on that day. Instead, the Vice President invoked Article 231 of the Constitution (see **Table 1**), maintaining that the provision allows the President to take the oath of office before the Supreme Court at a later date.² A day later, Venezuela’s Supreme Court upheld this interpretation of the Constitution, maintaining that Chávez did not need to take the oath of office to remain President. According to the court’s President, Luisa Estella Morales, Chávez could take the oath of office before the Supreme Court at a later date when his health improved.³

Some opposition leaders, as well as some Venezuelan legal scholars, had argued that the January 10 inauguration date was fixed by Article 231, and that since Chávez could not be sworn in on that date, then the President of the National Assembly, Diosdado Cabello, should have been sworn in as interim or caretaker President until either a new election was held or Chávez recovered pursuant to Article 234 of the Constitution (see **Table 1**).⁴ Opposition leader Henrique Capriles Radonski, who was defeated in the October 2012 presidential election, appeared to accept the Supreme Court’s interpretation of the Constitution, but maintained that it did not end the uncertainties facing the country.⁵ The U.S. State Department maintained that the potential succession issue as well as the delay of the presidential inauguration is one for Venezuelans to decide, not the United States, but stressed that the decision needs to be consensual. According to a State Department spokesman: “We do not believe that there is a made-in-America solution for Venezuela’s transition. Only Venezuelans can make that set of decisions. This is the message that we are giving to Venezuelans of all stripes, that we want to see any transition be democratic, be constitutional, be open, be transparent, be legal within Venezuela, and that it has to be decided by Venezuelans.”⁶

President Chávez ultimately returned to Venezuela from Cuba on February 18, 2013, but was never seen publicly because of his poor health. A Venezuelan government official announced on March 4 that the President had taken a turn for the worse as he was battling a new lung infection. He died the following day.

¹ Juan Forero, “Chávez Heads to Cuba for 4th Surgery,” *Washington Post*, December 10, 2012.

² “Presidente Chávez Formalizará Juramentación Después el 10-E ante el TSJ,” *Agencia Venezolana de Noticias*, January 8, 2013.

³ “TSJ: Presidente Chávez se Juramentará Cuando Cese la Causa Sobrevenida,” *Agencia Venezolana de Noticias*, January 9, 2013; Jim Mannion, “Venezuela Top Court Upholds Delay of Chávez Swearing-in,” *Agence France Presse*, January 9, 2013.

⁴ Juan Forero, “Chávez Will Not Return for Oath,” *Washington Post*, January 9, 2013; “Los Académicos Venezolanos Advierten: ‘El Aplazamiento que Quiere el Chavismo Es Inconstitucional,’” *ABC* (Madrid), January 9, 2013, available at <http://www.abc.es/internacional/20130109/abci-profesores-venezuela-comparecencia-chavez-201301092040.html>

⁵ Jim Mannion, “With Chávez Absent, Venezuela Launches New Presidential Term,” *Agence France Presse*, January 10, 2013.

⁶ U.S. Department of State, Daily Press Briefing, January 3, 2013. Also see press briefings for January 8-9, 2013.

**Table 1. Venezuela's Constitutional Provisions:
Presidential Oath and Absences (Absolute and Temporary)**

Article 231	The candidate elected will enter into possession of the position of President of the Republic [on] the tenth of January of the first year of his constitutional term, by means of [an] oath before the National Assembly. If for any supervening reason the President of the Republic cannot enter into [the] possession before the National Assembly, he will do so before the Supreme Tribunal of Justice.
Article 233	<p>Absolute absences [<i>faltas</i>] of the President of the Republic will be: death, renunciation, dismissal [<i>destitución</i>] decreed by sentence of the Supreme Tribunal of Justice, permanent physical or mental incapacity certified by a medical board designated by the Supreme Tribunal of Justice and with the approval of the National Assembly, abandonment of the position, declared by the National Assembly, as well as the popular revocation of his mandate.</p> <p>When the absolute absence of the President elect takes place before entering into [the] possession [of office], there will be a new universal, direct and secret election within the following thirty consecutive days. Until the new President is elected and enters into [the] possession [of office], the President of the National Assembly will take charge of the Presidency of the Republic.</p> <p>When the absolute absence of the President of the Republic takes place during the first four years of the constitutional term, there will be a new universal and direct election within the following thirty consecutive days. Until the new President is elected and enters into [the] possession [of office], the Executive Vice President will take charge of the Presidency of the Republic.</p> <p>In the cases above, the new President will complete the corresponding constitutional term.</p> <p>If the absolute absence takes place during the last two years of the constitutional term, the Executive Vice President will assume the Presidency of the Republic until completing the same.</p>
Article 234	<p>In the temporary absences [<i>faltas</i>] of the President of the Republic [he] will be substituted by the Executive Vice President for up to ninety days, extendible by decision of the National Assembly for ninety days more.</p> <p>If a temporary absence lasts for more than ninety consecutive days, the National Assembly will decide by majority of its members if it must be considered that there is an absolute absence.</p>

Source: Constitution of the Bolivarian Republic 1999 (English translation) in *Constitutions of the Countries of the World* (Oceana); Also see, in Spanish, "Bolivarian Republic of Venezuela, Constitution of 1999 with Reforms through 2009," Political Database of the Americas, Georgetown University, available at <http://pdba.georgetown.edu/Constitutions/Venezuela/vigente.html>.

Implications for Venezuela

In the aftermath of President Chávez's death, Vice President Maduro became interim or acting President, and took the oath of office on March 8. Article 233 of the Venezuelan Constitution (see **Table 1**) calls for new a presidential election within 30 days; as noted above, the election has been scheduled for April 14, 2013. President Chávez himself acknowledged before his last operation in December 2012 that a new election would be needed if anything were to happen to him.

As noted above, Chávez also anointed Vice President Maduro as his successor in December 2012. While there were was speculation about a rivalry between Vice President Maduro and National Assembly President Cabello, who has strong ties to the Venezuelan military, most observers contend that Chávez's endorsement of Maduro in December stifled any potential rift between the two in the immediate post- Chávez era.

Maduro is now the PSUV's candidate for the upcoming election. A former trade unionist, Maduro served in Venezuela's legislature from 1998 until 2006 and held the position of National

Assembly President in 2005-2006 until he was selected by President Chávez to serve as Foreign Minister. He retained that position until mid-January 2013, concurrently serving as Vice President beginning in October 2012 when President Chávez tapped him to serve in that position following his re-election. Often described as a staunch Chávez loyalist, Maduro is married to another well-known Chávez supporter, Cilia Flores, who served as the President of the National Assembly from 2006-2011.

For the opposition, Henrique Capriles, re-elected as governor of Miranda State in December 2012, became the presidential candidate for the Democratic Unity Platform (MUD). Although Capriles was defeated by Chávez in the October 2012 presidential election by a margin of 55% to 44%, he was credited with running an energetic and well-organized campaign, and he increased the share of the opposition vote by about 7% (2.2 million votes) from the last presidential election in 2006. For many observers, this result was significant, given the advantage that Chávez had with his campaign's use of state resources and state-controlled media, including the use of television broadcast networks. Capriles, a member of the center-right *Primero Justicia* (PJ, Justice First), has faced an uphill race given the short-time frame for the election. A key challenge for the opposition is maintaining unity and momentum, which could prove difficult especially after suffering not only a recent presidential loss, but a significant defeat in state elections in December 2012.

Polling has consistently shown Maduro a strong favorite to win the election. One poll taken before Chávez's death showed that Capriles would lose to Maduro by 14%.⁷ More recent polls taken by the Venezuelan firm Datanalisis showed Maduro's lead growing from 14% in mid-March to almost 18% in early April 2013.⁸

Before the election campaign began, many observers had stress the importance of improving the manner in which the election would be conducted in order to level the playing field in terms of fairness. However, just as in the 2012 presidential election between Chávez and Capriles, the 2013 presidential election has been characterized by the PSUV's abundant use of state resources and state-controlled media. In particular, the mandate for broadcast networks to cover the President's speeches has been a boon to Maduro. On April 3, 2013, the Secretary General of the Organization of American States, José Miguel Insulza expressed regret that Venezuela had not been invited to observe the election, and expressed some concern about the government's use of state resources in the run up to the election.⁹

As the gravity of President Chávez's health status became more apparent in early 2013, many analysts had posed the question whether Chavismo would endure without Chávez. In the short to medium term, it is likely that Chavismo will survive, given not only the good chances of retaining the presidency in the upcoming election, but because of Chávez supporters' current control of the Supreme Court, the National Assembly, the military leadership, and the state oil company—*Petróleos de Venezuela S.A.* (PdVSA). Without the charismatic Chávez at the helm holding his supporters together, however, it is likely that, over time, the various factions within Chavismo could break the unity of the political movement. Support and identification with President Chávez does not necessarily translate into support for the PSUV.

⁷ Jim Wyss, "As Chávez's Silence Persists, Venezuela Mulls New Elections," *Miami Herald*, February 26, 2013.

⁸ Diego Ore and Daniel Wallis, "Venezuela's Maduro Vows to Battle Corruption," *Reuters News*, April 8, 2013.

⁹ "Concerns Over Venezuela Electoral Process," *Latin News Daily*, April 4, 2013; "Insulza Regrets Venezuela's Failure to Invite OAS to A14," *El Universal* (Venezuela), April 3, 2013.

One of the legacies of President Chávez is his extensive financial support for the poor, supported by high oil prices, which was a significant reason for his continued popularity and re-election over the years. His government established social programs known as *misiones* or missions offering an array of services in education, health, nutrition, and housing. As a result of increased social spending, the rate of poverty fell from about 49% in 2002 to about 29% in 2011.¹⁰ The political empowerment of the poor under President Chávez will likely be an enduring aspect of his legacy in Venezuelan politics for years to come. Any future successful presidential candidate will need to take into account how his or her policies would affect working class and poor Venezuelans.

On the other hand, President Chávez also left a large negative legacy, including the deterioration of democratic institutions and practices, threats to freedom of expression, high rates of crime and murder (the highest in South America), and an economic situation characterized by high inflation (over 20% in 2012), crumbling infrastructure, and shortages of consumer goods. Ironically, while Chávez championed the poor, his government's economic mismanagement wasted billions that potentially could have established a more sustainable social welfare system benefiting poor Venezuelans. Whoever wins the next presidential election will be faced with a host of significant economic, social, and political challenges facing the country. Chávez concentrated political power in his presidency and used his charisma to advance his populist "Bolivarian revolution" (named for the 19th century South American liberator Simón Bolívar). It will be difficult for Venezuela's next president to operate in the same way since few Venezuelan politicians have the charisma and popularity that Chávez enjoyed. Given the deterioration of democratic practices under President Chávez, it also could prove difficult to restore traditional checks and balances in Venezuela's democratic political system.

Implications for U.S. Relations

Tensions that characterized U.S. relations with the Chávez government turned especially sour in the aftermath of President Chávez's brief ouster from power in April 2002. Venezuela alleged U.S. involvement in the ouster, while U.S. officials repeatedly rejected charges that the United States was involved. After Chávez's ouster, while most Latin American nations were condemning his overthrow, the United States maintained that undemocratic actions committed or encouraged by the Chávez administration had provoked the political crisis. This set the stage for continued deterioration in U.S.-Venezuelan relations. Despite this deterioration, Venezuela has remained an important supplier of foreign oil to the United States. Currently, it is the fourth largest foreign supplier, providing about 10% of U.S. crude oil imports.

Over the years, U.S. officials have expressed concerns about human rights, Venezuela's military arms purchases, its relations with Iran, and its efforts to export its brand of populism to other Latin American countries. Declining cooperation on anti-drug and anti-terrorism efforts has been a major concern. The United States has imposed sanctions: on several Venezuelan government and military officials for helping the Revolutionary Armed Forces of Colombia (FARC) with drug and weapons trafficking; on three Venezuelan companies for providing support to Iran; and on several Venezuelan individuals for providing support to Hezbollah. In late 2010, the Chávez government revoked an agreement for U.S. Ambassador-designate Larry Palmer to be posted to

¹⁰ U.N. Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012, Briefing Paper*, November 2012.

Venezuela. The Obama Administration responded by revoking the diplomatic visa of the Venezuelan Ambassador to the United States.

Despite tensions in relations, the Obama Administration maintains that it remains committed to seeking constructive engagement with Venezuela, focusing on such areas as anti-drug and counterterrorism efforts. In the aftermath of President Chávez's reelection in October 2012, the White House, while acknowledging differences with President Chávez, congratulated the Venezuelan people on the high level of participation and the relatively peaceful election process. Subsequently, in November 2012, the State Department's Assistant Secretary of State for Western Hemisphere Affairs, Roberta Jacobson, engaged in a conversation with Vice President Maduro about improving bilateral relations, including greater cooperation on counternarcotics issues.

In early January 2013, the State Department reiterated that the United States remained open to dialogue with Venezuela on a range of issues of mutual interest. In light of the setback in President Chávez's health, a State Department spokesman maintained on January 9, 2013, that "regardless of what happens politically in Venezuela, if the Venezuelan government and if the Venezuelan people want to move forward with us, we think there is a path that's possible."¹¹

In response to President Chávez's death, President Obama issued the following statement:

At this challenging time of President Hugo Chávez's passing, the United States reaffirms its support for the Venezuelan people and its interest in developing a constructive relationship with the Venezuelan government. As Venezuela begins a new chapter in its history, the United States remains committed to policies that promote democratic principles, the rule of law, and respect for human rights.¹²

While the President's statement did not offer traditional condolences, the State Department maintains that it expressed U.S. sympathy to Chávez's family and to the Venezuelan people.¹³ Many Latin American and other foreign leaders have expressed their condolences to Venezuela on Chávez's passing. The White House statement focused on the U.S. interest in getting cooperative bilateral relations back on track while at the same time reiterating that the United States is committed to promoting democratic practices and respect for human rights. A number of other statements by Members of Congress also expressed hope for a new era in U.S.-Venezuelan relations.

While some observers contend that Chávez's passing and the beginning of a new political era in Venezuela could ultimately lessen tensions in U.S.-Venezuelan relations, there is no expectation that this will happen quickly. In fact, State Department officials have cautioned that the upcoming electoral campaign could delay any forward movement in improving bilateral relations.¹⁴ Just hours before Chávez's death on March 5, Vice President Maduro announced that two U.S. military attachés were being expelled from Venezuela for reportedly attempting to provoke dissent in the Venezuelan military and even appeared to blame Chávez's sickness on the United States. State Department officials strongly denied the Venezuelan charges regarding the attachés,

¹¹ U.S. Department of State, Daily Press Briefing, January 3 and 9, 2013.

¹² White House, Office of the Press Secretary, Statement of President Obama on the Death of Venezuelan President Hugo Chávez, March 5, 2013.

¹³ U.S. Department of State, Background Briefing on the Situation in Venezuela, March 6, 2013, available at <http://www.state.gov/r/pa/prs/ps/2013/03/205689.htm>

¹⁴ Ibid.

and ultimately responded on March 11 by expelling two Venezuelan diplomats (a consular official in New York and a second secretary at the Venezuelan Embassy in Washington).¹⁵

Hostility toward the United States was often used by the Chávez government as a way to shore up support during elections, and it appears that this is being employed by the PSUV once again in the current presidential campaign. On March 20, 2013, Foreign Minister Elias Jaua said that Venezuelan officials would no longer be talking about improving U.S.-Venezuelan relations with Assistant Secretary of State Jacobson because of comments that Jacobson had made in a Spanish newspaper; Jacobson had said that “Venezuelans deserve open, fair and transparent elections.” A senior U.S. official reportedly said that such bizarre accusations and behavior raises doubts over whether bilateral relations will be able to be improved with a Maduro government.¹⁶ Another strange accusation by Maduro is that two former U.S. State Department officials were plotting to kill Capriles and to blame it on the Maduro government; the State Department strongly rejected the “allegations of U.S. government involvement to harm anyone in Venezuela.”¹⁷ Looking ahead, some observers contend that anti-Americanism could also be a means for PSUV leaders to mask internal problems within Chavismo, and even could be utilized as a potential new PSUV government led by Maduro deals with a deteriorating economy.

In terms of Venezuela’s foreign policy, observers who believe that Maduro will win the election maintain that there would be continuity with the policy under President Chávez, especially since Maduro served as his Foreign Minister for more than six years. Many see Venezuela’s strong support for Cuba continuing under a Maduro presidency, although some analysts contend that a difficult economic situation in Venezuela could result in a diminishment of that support. Some observers also contend that without Chávez at the helm, Venezuela’s role as a regional power could begin to wane as well as its relations with Iran.¹⁸ Venezuela’s strengthening of relations with Iran in recent years is viewed by many analysts as being driven by the personal relationship between Chávez and Iranian President Mahmoud Ahmadinejad.

Some observers have criticized the Obama Administration for making overtures to engage with Maduro, contending that U.S. policy should focus on attempting to ensure that the upcoming election is free and fair. A *Washington Post* editorial from early March 2013 contended that “further wooing of Mr. Maduro should wait until he survives the scrum in his own party, wins a free vote and demonstrates that he is more than a Castro puppet.”¹⁹

While it is likely that any improvement in relations will remain on hold during the election process, some analysts maintain that it is important for U.S. policymakers to remember that taking sides in Venezuela’s internal politics can be counter-productive. According to Cynthia Arnson of the Woodrow Wilson Center: “Supporting broad principles such as internal dialogue to overcome polarization for the rule of law is not the same as promoting a particular political outcome, an approach that is destined to only backfire.”²⁰ Other analysts maintain that it is important for U.S. policymakers to recognize the level of popular support in Venezuela for

¹⁵ Ibid; and Karen DeYoung, “U.S. Will Seek to Improve Ties with Venezuela,” *Washington Post*, March 7, 2013; William Neuman, “U.S. Expels Two Venezuela Envoys,” *New York Times*, March 12, 2013.

¹⁶ Brian Winter, “U.S. Put Off by Venezuela’s ‘Bizarre’ Behavior – Official,” *Reuters News*, March 21, 2013

¹⁷ U.S. Department of State, Daily Press Briefing, March 18, 2013.

¹⁸ “Latin America Risk: Alert- Latin America after Chávez,” *Economist Intelligence Unit*, March 7, 2013.

¹⁹ “After Hugo Chávez,” (editorial), *Washington Post*, March 7, 2013.

²⁰ Cynthia J. Arnson, “Setting Priorities for U.S. Policy in Latin America,” *Wilson Center*, January 2013.

President Chávez. While there was considerable controversy over past elections in which Chávez's campaign unfairly utilized state resources and broadcast media, the margins of his electoral victories in four elections over the years left no doubt that he had won those elections. His death, at least in the short to medium term, could deepen popular support for the PSUV.

In the aftermath of the presidential election, there could be an opportunity for U.S.-Venezuelan relations to get back on track. An important aspect of this could be restoring ambassadors in order to augment engagement on critical bilateral issues, not only on anti-drug, terrorism, and democracy concerns, but on trade, investment issues, and other commercial matters.

With Chávez's death and an upcoming presidential election, the 113th Congress is likely to maintain its strong oversight on the status of human rights and democracy in Venezuela as well as drug trafficking and terrorism concerns, including the extent of Venezuela's relations with Iran.

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