



Power point Despite heavy odds, President Maduro won a solid 68 per cent of the total votes in May 20's elections REUTERS/CARLOS GARCIA RAWLINS

STATES OF MATTER

Feeling the crunch

Venezuela is in economic chaos, but its people realise there are no rewards from following orthodox directives



SUKUMAR MURALIDHARAN

Hyperinflation, endemic scarcities, and widespread unemployment: a lethal economic trifecta that should in all circumstances, spell political disaster. For Nicolas Maduro, former bus-driver and inheritor of the mantle of the Bolivarian revolution that Hugo Chavez heralded in Venezuela, the outlook going into the May 20 presidential election could not have been worse. For the Opposition, which has waged determined battle since 1997, when Chavez first won the Venezuelan presidency, there could not have been a better opportunity to bury his legacy.

In the event, the outcome was exactly the opposite. Despite calls for a boycott by the main opposition, the Democratic Roundtable Unity (known by its Spanish language acronym as MUD), the polls drew a turnout of 46 per cent. When the votes were counted, Maduro had won a solid 68 per cent of the total and outpolled his nearest rival thrice over.

Responses were along expected lines. The US denounced the election as a farce and vowed to intensify already crippling sanctions. A coalition of right-wing governments in Latin America, called the Lima Group, resolved to recall their ambassadors for consultations and appealed to all international financial agencies to turn off the taps, denying Venezuela any form of credit.

This would have been worrying in normal circumstances, except that Venezuela has long since fallen off the map of the global financial agencies. Since the first stirrings of economic angst in Chavez's final years, Venezuela was widely expected, in deep penitence, to approach the International Monetary Fund (IMF) to plead for the kind of bailout that caused Latin America its lost decade of the 1980s and the tumult of the 1990s. Maduro chose a different tack, frontally tackling polit-

ical opponents, bending the rules in order to quell the right-wing resistance.

Since winning the presidential election by a narrow margin in 2013, Maduro faced a setback in the National Assembly elections of 2015. With a generous assist from the judiciary, he ensured that a sufficient number of Opposition members were tossed out for corrupt electoral practices, denying the Opposition a legislative "super-majority" that could threaten his rule. He then called a Constituent Assembly election in July 2017 and mobilised his rank and file to establish a body that could supersede the National Assembly, and potentially create a legal framework for his social and political blueprint.

The MUD boycotted the Constituent Assembly election but participated in regional elections in October last year, which Maduro's coalition won overwhelmingly. Since Chavez's election in 1997, Venezuela has worked hard at creating an electoral system that would be immune to the sort of meddling it had earlier suffered, especially when instigated by the US. It is a system that involves balloting in both the paper and electronic form, and has produced election results that have widely been accepted as fair. The recent presidential election was no exception. The day after votes were cast, an international observer mission constituted by experts from all of Latin America, certified the process clean.

Continent-wide solidarity is wearing thin, however. The Lima Group came into existence in August last year, soon after Venezuela's Constituent Assembly election, to rebuff that body and explicitly uphold the authority of the National Assembly. It was sponsored by the US and comprises the countries that

lapsed into right-wing authoritarianism as Latin America's "red tide" from the first decade of the century ebbed. After years of rapid economic growth and rising social welfare, the economies of the continent seemed one after the other to catch the old blights of stagflation and mounting unrest. In quick succession the left-wing governments that had presided over the "second freedom" of Latin America, were felled by fair means and foul.

Brazil, Argentina and other countries that make up the Lima Group pressuring Venezuela, have had little success in fixing things on their home front. A prospective opening towards the IMF by Argentina has now triggered days of street protests by unions and activists who see no future in yet another dose of austerity.

Maduro's preemptive strike at the National Assembly saved him from a right-wing political coup. But the gridlock has done little good for common Venezuelans. Talks mediated by the President of the Dominican Republic, Danilo Medina and the former Prime Minister of Spain, Rodriguez Zapatero, began in 2016 and continued fitfully till agreement between Venezuela's feuding sides seemed a very real possibility early this year.

On February 7, when the Venezuelan government representatives arrived at a mutually agreed venue to sign a pact with the Opposition, the other side chose to walk away. An opportunity to resolve the political gridlock and address economic havoc was wilfully squandered.

The Venezuelan Opposition has is now embarked upon the maximalist agenda, in league with the US, of securing regime change. Maduro and his allies

show little inclination to let go and have political legitimacy on their side. After having led the continent to a "second freedom" of unprecedented prosperity and progress, Venezuela now seems to be heralding a phase of bitter strife. Its rivals on the continent, seeking salvation in returning to older economic verities of austerity and fiscal contraction, are unlikely to fare better.

The Venezuelan Opposition is now embarked upon the maximalist agenda