

Bolivarian Socialism: Corporate Media Bashes Hugo Chavez

Enabling Law Decrees

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In January 2007, Hugo Chavez announced his “Bolivarian Socialism” project for the 21st century and explained its dependence on five revolutionary “motors:”

- constitutional reform;
- “Bolivarian popular education;”
- redefining and changing the organs of state power;
- an explosion of communal power at the grass roots; and
- the “mother (Enabling) Law to make all other “motors” possible.

Under Venezuelan constitutional law, Enabling Law power is legal but limited. So despite media and opposition claims, it doesn’t grant Chavez sweeping “rule by decree” authority or make him a “dictator.” When the National Assembly (AN) passed the law (unanimously), even US Assistant Secretary of State for Western Hemisphere Affairs, Thomas Shannon, admitted that it’s “valid under (Venezuela’s) Constitution. As with any tool of democracy, it depends how it is used.” Chavez had it two other times and used it responsibly by any standard or measure. He’s also the fifth Venezuelan president to request it under the 1961 Constitution and the 1999 one under Article 203. It runs for 18 months and then expires.

The current one ended July 31 and empowered Chavez in the following areas, all related to the country’s internal functioning:

- to transform sclerotic bureaucratic state institutions to make them more efficient, transparent, honest and allow for greater citizen participation;
- reform the civil service and eliminate entrenched corruption – still, a major problem;
- advance the “ideals of social justice and economic independence” through a new social and economic model based on equitable national wealth distribution in areas of health care, education and social security;
- modernize Venezuela’s financial sectors, including banking, insurance and tax policy;
- upgrade science and technology areas to benefit all sectors of society;

- reform public health, prisons, identification, migration regulations, and the judiciary to improve citizen and judicial security;
- upgrade the nation’s infrastructure, transport and all public services;
- improve and enhance the nation’s military;
- establish territorial organization norms in states and communities relating to voting and constituency size; and
- permit greater state control over the nation’s vital energy sector.

In all the above areas, Chavez was given limited constitutional power for 18 months - over only National Assembly (AN) authorized areas. He had no power to harm civil or human rights, weaken or remove his opponents, expropriate private property, or interfere with the legal right of citizens to rescind all laws by popular referendum if 10% or more of registered voters request it and only 5% for laws passed by decree. In addition, the AN may change or rescind decree-passed laws by majority vote. Unlike in America, checks and balances work in Venezuela - but not according to the hostile US media. More on that below.

On the Enabling Law’s final day, Chavez enacted 26 new laws by decree - related to the armed forces, public administration, social security, agriculture, tourism, reform of the National Banking and Finance Law, and to nationalize the Bank of Venezuela. It was privately owned until 1994 at which time the government became its majority stockholder. Then in 1996 it was again privatized when Banco Santander, Spain’s largest bank, bought a controlling interest.

The company wanted to sell it and asked permission as required by law. Chavez responded by reclaiming the bank’s resources for all Venezuelans. He assured Santander it will receive fair compensation as was done for previous nationalizations and told bank depositors not to worry: “You will be more than guaranteed in the hands of the Republic (and) You know the banking sector of Venezuela is one of the most solid in the world.” Perhaps good as gold compared to shaky US banks in serious trouble.

Chavez announced that the new laws will enhance the “great public sector,” long “subordinated” in the past, to prioritize social areas in line with national and international standards. But opposition leaders weren’t convinced. They called the measures “autocratic” and “non-consultative” and urged their followers to respond in the upcoming November regional and local elections.

Despite opposition claims, all the new measures comply fully with constitutional provisions and are entirely legal. Many were proposed early in the Enabling Law period, debated for over a year in the AN, and 16 additional laws weren’t enacted because they’re still under consideration. In all, 67 new laws were decreed from January 2007 through July 2008 covering a broad range of areas, including:

- monetary conversion;
- steel, cement, oil, banking, and electricity sector nationalizations;
- the new Law on Intelligence and Counterintelligence - now revoked and to be rewritten to eliminate potentially controversial provisions;

- promoting small and mid-sized industries as well as new types of state and community-run enterprises;
- reorganizing the military;
- national finance institutions as well;
- reforming public administration laws; as well as measures on
- price controls, agricultural policy, and food security and sovereignty.

Staged Venezuelan Street Protests Erupt

In what's now common under Chavez, "Venezuelans protest(ed his) new socialist push," according to the AP, but it was hardly a resounding denunciation. In Caracas, at most 1000 turned out chanting "freedom," and "Riot police used tear gas as they blocked hundreds of Venezuelans protesting what they call new moves by President Chavez to concentrate his power." Their charges were baseless and ludicrous and cited "blacklists barring key opposition candidates from elections and socialist decrees destroying what's left of their democracy."

The so-called "blacklist" was, in fact, a Venezuelan Supreme Court of Justice (TSJ) August 5 ruling barring 272 government and opposition candidates from running in the November elections because of corruption charges and convictions. The Court held that their ruling "is acceptable in accordance with the laws that are given for reasons of general interest, for the safety of others of society and for the common good, in accordance with the provisions of Articles 30 and 32.2 of the American Convention on Human Rights. This requirement is fully compatible with the provisions of Articles 19 and 156....of the National Constitution." The TSJ also affirmed the constitutionality of Article 105 regarding the Comptroller General's office because it assures defendants have full due process rights.

Comptroller Clodosbaldo Russian is legally empowered as Venezuela's top anti-corruption watchdog. He submitted a list of 368 names to the country's National Electoral Council (CNE) and asked that they be barred from running in November because they're being investigated for or were found guilty of corruption and misuse of public funds. CNE approved the list and asked the Supreme Court to rule on it. The Court then disqualified 272 of them.

The (2005-launched) UK-based Venezuela Information Centre (VIC) stands "in solidarity with the people of Venezuela." Its members include NGOs, academics, students, members of the media and trade unionists. It aims to provide "objective and accurate information about all trade union, social movement and political organisations in Venezuela," counteract distorted reporting, and "support the right of the Venezuelan people to determine their own future free from external intervention."

VIC's assessment of the Comptroller General's disqualification process was as follows:

- it was "conducted strictly on legal and administrative grounds;
- carried out as part of the constitutional and legal obligations of the Office of the Comptroller General;
- taken following" TSJ 2005 rulings;

— authorized under Venezuela’s Organic Law of the Comptroller General’s Office and Venezuelan Constitution; and

— those on the list were kept fully apprised throughout the process.

The Corporate Media Responds – Hostile As Always

In the lead was The New York Times and its on-the-scene reporter Simon Romero in an August 5 article headlined “New Decrees From Chavez Mirror Spurned Measures.” Romero reported that Chavez “is using his decree powers to enact a set of ‘socialist-inspired’ measures that seem based on a package of constitutional changes” voters previously rejected. It sets the stage for new “confrontation between his government and the political opposition.”

He quoted opposition publisher Teodoro Petkoff saying: “When the government acts, as it has now, without respecting the Constitution, and the word of the president is the law, then an act of tyranny is being committed.” Romero seemed to agree.

He then objected to “a wave of takeovers of private companies,” including nationalizing “a large Spanish-owned bank.” He was unconcerned about “relatively minor” decrees but took aim at more far-reaching ones and some he called efforts to “formalize socialist-inspired policies on the margins of the formal economy, like a measure declaring barter a legitimate system of payment.” Romero seems hopeful that “the coming regional elections have the potential to erode the president’s power base,” and we’ll be hearing more from him in its run-up.

AP reporter Fabiola Sanchez criticized Chavez’s “move(s) toward a social economy,” plans “to set up neighborhood-based militias....state control over agriculture,” new powers over the military, small business loans, and quoted critics saying laws were “pushed through” without “consult(ing) major business groups.”

AFP reporter Carlos Diaz referred to “Chavez enact(ing aggressive) new laws with (an) iron fist increasing the state’s power over the economy ahead of key regional elections.” It’s a resumption of his “drive to create a socialist state, significantly increase his power and resemble proposals included in a constitutional reform narrowly rejected by voters in a December referendum.”

Even the Financial Times (FT) weighed in with Caracas reporter Benedict Mander headlining “Chavez accused of reviving old reforms” and citing government opponents “up in arms over a raft of decree laws they say replicate constitutional reforms” that voters rejected. He mentioned critics “warn(ing) that they’ll “further scare off private investment,” claimed they’re “typical of Mr. Chavez’s authoritarian streak (and will let him) expropriate private property without the need for the (AN’s) approval.” Mander also (on August 2) criticized the disqualification of opposition candidates and quoted Carter Center director of the Americas Programme, Jennifer McCoy, worrying about perceptions of clearing the way for government-backed candidates.

The Wall Street Journal was even more hostile in a Jose De Cordoba, Darcy Crowe article headlined “In Enacting Decrees, Chavez Makes New Power Grab.” They called them “ambitious....decrees which formalize the creation of a popular militia and further consolidate state control over key areas of the economy such as agriculture and tourism.”

They referred to his “bypass(ing) Congress in making laws (and being) back on the offensive after suffering a humiliating defeat in December (that might have let him) stay in power for life.”

They cited “accusations that Mr. Chavez is evading the will of the people” and quoted opposition figure Luis Miquilena saying “We are in the presence of a dictatorial government which has given a coup d’etat to the constitution. Here we have no constitution, no law and the president does exactly what he wants.” It sounds like he’s confusing Chavez with George Bush because he describes conditions under him accurately in stark contrast to Venezuelan democracy.

The Journal writers see things differently. They compare Chavez’s government to Iran and take him to task for it. They also cite public opposition to the “Cuban Model,” suggest he follows it, and quote Peter Hakim of the Inter-American Dialogue saying “Everything (he’s doing) is related to the upcoming election, and it’s hard to imagine he doesn’t see this as important in his efforts to keep power.”

Far and away the most outlandish and unfounded Journal diatribes show up in Mary O’Grady’s columns. Her latest was on August 11 headlined “Chavez Sees Cuba as a Model” in which she states “The Venezuelan dictator acts more and more like Fidel” and lots more. Her accusations include “annihilat(ing)” his political competition, “put(ing) down all challengers to (his) power forcibly if necessary,” transforming the country into “a centrally planned economy,” using “his own version of the law,” declaring opponents “guilty (of corruption) by fiat,” “expanding (his) collection of political prisoners,” and near excoriating Jimmy Carter and Senator Chris Dodd for calling “Chavez’s Venezuela a democracy.” According to O’Grady: “Get in the way of Mr. Chavez’s caudillo aspirations at your peril.”

These type comments aren’t surprising from someone with her background: years at Wall Street as an options strategist for Advest, Inc., Thomas McKinnon Securities, and Merrill Lynch & Co. She also once worked at the hard-right Heritage Foundation before joining the Wall Street Journal in 1995 and becoming a senior editorial page writer in 1999 for her weekly America’s column. It’s long on the worst kind of agitprop and very short on reporting the truth.

No wonder then that neither O’Grady or other Chavez critics explain Venezuelan law or how TSJ rulings interpret it. Nor do they report how the Enabling Law works, that the nation’s Constitution authorizes it, that four other presidents used it, that Chavez scrupulously complies with its provisions, and that the National Assembly (by majority vote) and Venezuelan people (by referendum) can override his decrees. How can they? It would expose their false accusations and discredit their entire argument that will heat up soon again in the run-up to November’s state and local elections. Stay tuned.

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