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**TITLE:**

THE CHAVEZ COROLLARY: THE NEW HEGEMONY ON THE BLOCK

**AUTHOR:**


MAJOR JAMES A. MCLAUGHLIN, UNITED STATES MARINE CORPS

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Mentor and Oral Defense Committee Member: Professor Erin Simpson

Approved: 

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Oral Defense Committee Member: Dr. Eric Shibuya

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## Executive Summary

**Title:** The Chavez Corollary: The New Hegemony on the Block

**Author:** Major James A. McLaughlin, United States Marine Corps

**Thesis:** In what ways might Hugo Chavez threaten U. S. national interests?

**Discussion:** Venezuela, once seen as a pillar of democracy in Latin America, is seemingly growing closer to totalitarian dictatorship under Hugo Chavez. Chavez's anti-American and populist ideologies have found a voice in other Latin American countries such as Bolivia, Ecuador, and Nicaragua which have embraced his ideology. With huge oil revenues, Chavez's Venezuela has the economic collateral to make a formidable challenge to U. S. in the region which could potentially threaten U. S. national interests.

The National Security Strategy of 2006 outlines the promotion of democracy as one of the important ways to protect against tyranny. There is a growing trend in Latin America of leftist populist leaders within Latin America who are challenging traditional democratic values and replacing them with more authoritarian regimes. A totalitarian Venezuela led by Hugo Chavez poses a couple of threats: 1) Chavez's influence over oil output as a member of the Organization of the Petroleum Export Countries (OPEC) could directly cause a recession in the U. S. as increasingly high oil prices and a weaker dollar force Americans to change their spending habits, 2) it threatens regional security and stability which greatly undermines democracy throughout the region. Such threats could lead to military conflict between nation states in Latin America, which could cause direct U. S. involvement or as part of its aftermath. Yet, despite the promotion of democracy being a top priority for U. S. national security interests, the U. S. has done very little to combat the rhetoric of Hugo Chavez and the growing movement of populist totalitarianism.

The dilemma now is how much credence should be given to Hugo Chavez's anti-American rhetoric. If he is not a threat to U. S. national interests, perhaps the U. S. can continue to just ignore his rhetoric as just that. However, if his ideology is perceived as a threat to U. S. national interests, the U. S. would be obliged to engage itself by devising a regional strategy to effectively address such a threat.

**Conclusion:** Based on my review of expert analyses, Chavez is a potential threat to U. S. national interests. Chavez's constitutional reforms are clearly designed to consolidate his own presidential powers, stifle any challenge from the opposition, and open the door for legislation that could keep him in power for life. Chavez's populist ideology continues to undermine and destabilize the region and could threaten democracy as a whole in Latin America. This is in direct contradiction with U. S. National Security Strategy. Therefore, as long as Chavez remains in power, each move in this political-ideological conflict will be likened to that of a chess match until one side is able to "checkmate" the other.

Sadaam Hussein, Fidel Castro, and Kim Jong Il are just some of modern history's more well known charismatic political figures who, with their controversial anti-American rhetoric, were or are political thorns in America's side. Venezuela's Hugo Chavez appears to be one of those rare individuals poised to make his own mark on history that few others have. Chavez is seemingly loved by many in his country, as well as many other parts of Latin America, who feel he is their champion against decades of oppression at the hands of U. S. hegemonic influence in Latin America. President Bush, in his National Security Strategy (NSS) of 2006, sees Venezuela as a challenge to regional stability and Chavez as "a demagogue awash in oil money who is undermining democracy and seeking to destabilize the region."<sup>1</sup> There is no doubt, however, that Chavez has a political voice which he appears all too ready to use to forge diplomatic relations with long time adversaries/rivals of the U. S., such as Cuba, Iran, and China just to name a few, all of whom share their displeasure with U. S. foreign policy. The billions of dollars in oil revenue also make Chavez the first Latin American leader who has the economic collateral to formidably challenge U. S. hegemony in the region. Therefore, he is not someone who can likely be ignored.

In his NSS of 2006, President Bush also outlined America's four strategic priorities in the region as: bolstering security, strengthening democracies, promoting prosperity, and investing in people.<sup>2</sup> President Bush has made it clear that enhancing "the role of democracy and democracy promotion throughout international and multi-lateral institutions" is in our national interests.<sup>3</sup> Yet, U. S. policy towards Venezuela appears limited in its scope, to the extent it has been developed at all. If the U. S. continues to

ignore Chavez, and he remains unchecked, is it possible for him to threaten U. S. national interests? In order to answer this question, one must understand what Chavez's long term strategic intentions are.

### **Approach**

This paper will look at the arguments set forth by three regional analysts who offer some insight into Chavez's brand of anti-American rhetoric, what his strategic intentions might be and what possible options there are to counter his growing influence. These analysts examine Venezuelan foreign policy within the scope of the elements of national power. A threat assessment is then conducted based on my review of these strategic intentions. Additionally, this paper provides a background of the significant events of the Chavez presidency in Venezuela and will define a way ahead for a U. S. foreign policy approach towards Venezuela.

### **Background**

Hugo Chavez, the larger than life President of Venezuela, and former lieutenant colonel paratrooper, rose to prominence in Venezuela after leading a failed coup against the government of Carlos Andres Perez on February 4, 1992. He ultimately surrendered in a televised speech and ordered his followers to lay down their arms because his "Bolivarian" objectives were unable to be obtained "for now".<sup>4</sup> Despite being sent to prison, the failed coup became a defining moment for Chavez. After serving two years in prison, he was later released by President Caldera on March 26, 1994.<sup>5</sup> Emerging from prison as someone who stood up to the corrupt establishment, Chavez ran for president just four years after his release on a pledge to end corruption and was elected President of Venezuela in 1998. He still remains president today after nearly nine years

in office. While seemingly enjoying overwhelming popular support, Chavez's presidency has not been without controversy. It would oversee a number of polarizing events within Venezuela, as well as increased tensions with the United States.

Chavez's move to nationalize the state's oil company, Petróleos de Venezuela Sociedad Anónima, PDVSA, allowed his government to preside over the greatest increase in oil prices in history, and gave him an incredible amount of influence on the world stage. Since 1998, oil prices have risen from under eleven dollars a barrel to an astonishing one hundred dollars a barrel in 2007.<sup>6</sup> Increasingly distancing himself from Washington and forging diplomatic and economic ties with long time U. S. adversaries, such as Fidel Castro, many people inside and outside Venezuela would begin to question his political motives. Chavez's calls for radical changes within the Venezuelan political and economic systems created a deep divide within the country that ultimately led to a coup attempt against his own government on April 11, 2002.<sup>7</sup>

In December of 2002, the opposition moved against him again by calling for a general strike. Lasting several months, the strike nearly brought the country to its knees and halted oil production entirely, subsequently crippling the Venezuelan economy. Chavez survived the ordeal by blaming the opposition for sabotaging oil production and painting them as the rich upper class who only cared about oil profits. As a result, his popularity among the poor of Venezuela soared, and it also garnered him support from the poor and disenfranchised of other Latin American nations, particularly in Bolivia, Ecuador, and Nicaragua where he has been a visible influence in the electoral process. Meanwhile, the divides in Venezuelan society continued. Backed by a majority in the Asamblea Nacional (National Assembly), the Venezuelan congress ratified

amendments that would increase Chavez's presidential powers even further to include extending presidential terms from five years to six years in office. His popularity was tested again in 2004 when, in accordance with constitutional provisions, a referendum vote was held to decide whether or not to remove him from office. Chavez won this vote and later gained re-election in 2006 by significant majorities. His electoral victories, however, drew heavy criticism from the opposition who accused him of fraudulently rigging the elections in his favor.<sup>8</sup>

Recent events might suggest, however, that the same firebrand rhetoric that made him so popular, may be causing him to lose support at home and his influence abroad. During a speech at the United Nations (U. N.) in 2006, he called President Bush "the devil", which would ultimately cost his country a seat on the U. N. Security Council.<sup>9</sup> In November of 2007, at the Ibero-America Summit held in Santiago, Chile, Chavez was admonished by King Juan Carlos of Spain, when the king told him, "Why don't you shut up?", after Chavez had insulted the former Prime Minister of Spain, Jose Maria Aznar.<sup>10</sup> Then, in December of 2007, Chavez lost his bid to do away with presidential term limits when a referendum vote on constitutional reform was narrowly defeated, leaving Chavez with only five years remaining in office. Despite these recent set backs, Chavez continues to press his Bolivarian agenda. He recently requested, based on the successful but intense negotiated release of two hostages by the Fuerzas Armadas Revolucionarias de Colombia (FARC) that the organization be removed from the list of terrorist organizations.<sup>11</sup> With incidents such as these, Chavez continues to be a source of great controversy.

## The Analysts

There have been many analysts over the course of Chavez's presidency who have examined his particular brand of anti-American rhetoric. This paper looks at three analysts specifically: Dr. Max Manwaring, Dr. J. Michael Waller, and Nikolas Kozloff. These analysts have all written extensively on Latin American affairs to include Venezuela. With the rapidly changing political situation in Venezuela, these analysts provide not only some of the most recent studies to date on Hugo Chavez's government, but also some of the more thorough studies.

Dr. Manwaring, a professor of Military Strategy at the U.S. Army War College, has served in various civilian and military positions, including the U.S. Army War College, U.S. Southern Command, and the Defense Intelligence Agency. He has written several articles dealing with Latin American security affairs and political-military issues within the region. Dr. Manwaring believes Chavez intends to challenge the U. S. hegemony in the region asymmetrically through a type of fourth generation warfare he calls Super-Insurgency.<sup>12</sup> He describes this type of warfare as a total war on many fronts, using tactics that are designed to "accelerate the process of state failure so as to generate greater freedom of movement and action for themselves."<sup>13</sup> Manwaring suggests that such non-state actors, as the Al- Qaeda, the FARC, and Peru's Sendero Luminoso, who support narco-trafficking, terrorist networks, and ideological wars, are examples of organizations using similar tactics.<sup>14</sup> Manwaring further outlines Chavez's strategy as the following: 1) radically changing the traditional democratic politics of Venezuela to that of a totalitarian styled dictatorship; 2) destroying the North American hegemony throughout all of Latin America; 3) conduct a Super-Insurgency, or War of the

People (People's War) to depose the illegitimate external enemy (North America); and 4) build a new Bolivarian state beginning with Venezuela and extending to the whole of Latin America.<sup>15</sup>

Manwaring argues Chavez is able to garner support for his Bolivarian Revolution from other Latin American countries not only by appealing to their sense of nationalism but also by de-legitimizing the existing democratic governments in the region, with the specific purpose of destabilizing the region and weakening U. S. regional influence. As such, he argues this benefits Chavez because he can then move in where a vacuum has been created and exert more of his own influence. For the U. S. to combat Chavez and win this war of ideologies, Manwaring suggests using what he calls, a Populace-Oriented (Personal Security) Model.<sup>16</sup> In this model, the traditional center of gravity is no longer enemy formations, but what he terms as a "populace oriented paradigm" or the people.<sup>17</sup>

Manwaring uses Vietnam as an example of this, where the media campaign towards the populace, more so than the military campaign, determined the outcome of the conflict. In order to deter this kind of adversary, Manwaring says it is important to identify what your enemy values most and then be able to use it against them by manipulating or deterring them from taking action against you rather than attacking them militarily. Manwaring's strategy also calls for legislation that goes beyond the Goldwater-Nichols Act in order to create a strong interagency structure that works in consonance with the military, and develop a core of civilian and military strategic leaders to achieve unity of effort by using all the elements of national power in order to realize its political strategic aims with regard to Venezuela and Latin America.

Dr. J. Michael Waller is the Vice President for Information Operations for the Center for Security Policy (CSP). He served on the White House Task Force on Central America and is a frequent lecturer and instructor on psychological and informational operations for the U. S. military. As part of the CSP's paper series, Waller authored "What to Do About Venezuela?" (CSP Paper Series May 2005, No. 6). In this paper, Waller focuses on the changes within Venezuela that continue to be ignored by the U. S. as the result of the policy adopted by the Bush administration and designed by John Maisto, U.S. ambassador to Venezuela under President Clinton and Director for Hemispheric Affairs under Bush's National Security Council.

The policy essentially states "Watch what they (Venezuela) do, not what they say".<sup>18</sup> Waller contends Chavez's goal is to achieve a totalitarian dictatorship, which modeled on a Cuban styled Leninist-Marxist approach, is intended to consolidate his power and keep him there for a very long time. This push towards dictatorship, as Waller describes, includes a new constitution (as of 1999) with increased term limits and years in office, increased ability for presidential decree so as to bypass the legislature, and forging of cordial diplomatic relations with long time U. S. adversaries, particularly Cuba, as well as other state sponsors of terrorism. Equating the Venezuelan leader with Sadaam Hussein, Waller argues that a Chavez dictatorship poses a great threat to the U. S., because it has the potential to destabilize the region and threaten democracy across Central and South America, as he tries to expand his own influence into neighboring countries. Unlike many other of the region's past dictators, Waller contends Chavez is

not content to rule his own country, but wants to impose his own 21<sup>st</sup> century socialism on other countries in the region and has already influenced elections in places like Bolivia, Ecuador, and Nicaragua.<sup>19</sup>

Waller's strategy to combat this is one of regime change through diplomatic means. Waller's proposed strategy consists of first, a psychological strategy towards Chavez himself by making him an irrelevant factor in world politics so much so that he succumbs to his own ambitions and his regime implodes. At the same time, Waller states it is critical to prevent Chavez from severely damaging Venezuelan infrastructure (particularly the oil industry) should he feel his power is slipping. Thirdly, he suggests there needs to be a "viable democratic alternative", further suggesting that Venezuela cannot go back to the type of corrupt democracy that led to Chavez's election in the first place.<sup>20</sup> Lastly, Waller strongly recommends there needs to more diplomatic pressure from other countries from within the region. He suggests the U. S. should use the Organization of American States (OAS) in order to expose the Venezuelan regime for what it truly is, which he terms essentially a rogue nation that oppresses human rights and democracy. In another move to increase diplomatic pressure, Waller suggests creating a bloc of nations, or a "united front", within the region to counter Chavez's influence so as to level the balance of power vice perpetuating a "U. S. versus Venezuela" mentality, much like Castro has done for so many decades in Cuba.<sup>21</sup>

Nikolas Kozloff is a Senior Research Fellow for the Council on Hemispheric Affairs and holds a Ph.D. in Latin American History from Oxford University. In his book, "Hugo Chavez: Oil, Politics, and the Challenge to the U. S.", Kozloff's overarching theme is that Chavez's "oil diplomacy" poses a formidable challenge to U. S.

hegemonic influence in the region.<sup>22</sup> As such, Kozloff argues, the rise in oil prices is a huge bargaining chip for enticing other countries, such as Brazil and Argentina, to enter into trade agreements exclusive of the U. S. that counter U. S. influence, vice being dominated by it. One such agreement is the creation of PetroSur. PetroSur is a Venezuelan initiative, which includes Argentina, Brazil, and Uruguay, where PetroSur would provide oil to countries at discounted prices and encourage infrastructure, such as refineries, and use oil profits in order to improve health care, education, and jobs.<sup>23</sup> Another such agreement Kozloff addresses is the Bolivarian Alternative for the Americas agreement (also known as Alternativa Bolivariana para los Pueblos de Nuestra América or “ALBA” in Spanish). ALBA is the Venezuelan alternative to the U. S. sponsored Free Trade Area of the Americas (FTAA) agreement. Like Petrosur, ALBA promotes the exchange of good and services without using any form of monetary currency. Venezuela has such an agreement with Cuba where it exchanges Venezuelan oil for Cuban doctors and teachers, and it is in the process of signing a similar agreement with Argentina where it would exchange oil for Argentine cattle.<sup>24</sup> Kozloff suggests such agreements not only allow Chavez to diplomatically court the leaders of other Latin American nations, but because they do not use the dollar as their basis for international exchange for the purchase of goods, they weaken the U. S. dollar even further as a result.<sup>25</sup>

This was probably never more important for Chavez than in the time immediately following Venezuela’s general strike (2002) where oil production ceased. Kozloff recounts it was Brazil, initially in the person of President Cardoso than later President Lula da Silva, who came to Chavez’s aid during the strike by sending 520,000 barrels of oil to Venezuela.<sup>26</sup> Brazilian intervention, as Kozloff suggests, was perhaps

integral in helping Chavez thwart the opposition's attempt to remove him from office. According to Kozloff, Lula may have been motivated for his own political reasons to help Chavez. Because Brazil does not produce enough of its own oil to meet its own domestic needs, it relied on Venezuelan oil for many years, and therefore Lula was more concerned about his own country than with helping out Chavez.<sup>27</sup> Nonetheless, according to Kozloff, Chavez uses these diplomatic ties, not only with Brazil, but with other nations as well, while the U. S. does very little diplomatically to entice other such nations to enter into its proposed free trade agreements. This, Kozloff says, is something the U. S. will ultimately have to confront if it is to maintain its credibility and influence in the region.

### **Analysis and Observations**

While each of these analysts focuses on different aspects of the elements of national power they do have a couple of common themes in their analyses. First, as long as Hugo Chavez remains the President of Venezuela, he will continue to radically change the political-military landscape of Latin America. Secondly, Venezuela's oil economy is extremely formidable, plays a large role in shaping events within the region, and it can certainly be used to aid and influence other countries. Thirdly, Hugo Chavez is not shy about using his country's oil resources to accomplish his strategic intentions.

According to Manwaring and Waller, Chavez is leading Venezuela towards the path of dictatorship and he is a potential threat to U. S. national interests. They also believe Chavez has the potential to create a ripple effect across Latin America, beyond just Venezuela, which could threaten democracy in the region. The fact that it is an oil producing country also makes it a strategic concern for the U. S. In Kozloff's analysis, he sees Chavez not so much as a direct threat to U. S. national interests but a threat to the

U. S. ability to wield as much influence within the region. Kozloff sees Chavez's intention being to create more of a multi-polar region vice one dominated by the U. S., while Manwaring and Waller agree that Chavez's intentions are more about creating a sphere of influence where he himself can act more unilaterally.

While Manwaring and Waller may agree on Chavez's intentions, they differ on Chavez's motives. Manwaring sees Chavez as a calculated, cunning, but rational person, suggesting Chavez can only achieve his strategic intentions without decisively engaging the U. S. in a military conflict, and therefore the Super-Insurgency, or irregular warfare, according to Manwaring is the most logical tactic for Chavez to use. The intent being to completely exhaust the U. S. through a total asymmetric war in order to weaken U. S. hegemony. In an asymmetric environment, Manwaring would identify Chavez's thirst for power, being on center stage, and the ability to thumb his nose at the U. S. as things the enemy values most and that the U. S. be able to use it against them by manipulating or deterring them from taking action against you rather than attacking them militarily. Manwaring's suggestion of creating a civil-military organization that goes beyond the Goldwater-Nichols Act, and involves different facets of the interagency process, does have some merit, yet it could take decades for the U. S. to effectively create and develop such an organization to effectively counteract such a threat now.

Waller, for his part, would argue that the U. S. does not have decades to develop an effective interagency process to deal, and depicts Chavez as a more immediate threat. Waller sees Chavez as a person with deep psychological problems, who is more concerned with regime survival and capable of destroying his country's strategic oil infrastructure if his regime is threatened. He also sees Chavez's psychological

state as something the U. S. can exploit. If what Waller suggests is true, Chavez's concern for regime survival might follow a similar pattern of other such leaders, like Fidel Castro, Sadaam Hussein, and Kim Jong Il who oppress their people in order to maintain a tight grip on power. As such, the greatest cause of concern, naturally, would be the proliferation of nuclear weapons. There is little evidence to date, however, that suggests Venezuela is seriously considering the development of nuclear energy. Given Chavez's anti-American rhetoric, the U. S., however, should still be concerned about diplomatic relations Venezuela has established with other countries, particularly those who possess nuclear weapons or the potential for nuclear weapons capability, such as Iran for example.

Manwaring's assertion that Chavez desires to completely exhaust the U. S. through a total asymmetric war, however, seems implausible given the constraints of democracy within which Chavez must work. Venezuela could also feel the effects of a U. S. recession as well, since its economy is almost entirely based on selling oil, primarily to the U. S. While Chavez has looked for other buyers, like China for example, it is arguable that Chavez needs the U. S. more than ever right now, since U. S. dollars are funding the Chavez's government. In the long run, destabilization of the region probably hurts Venezuela just as much as it does the U. S, if not more so, particularly if Chavez cannot deliver upon his promises of prosperity, social programs within his own country, and economic aid packages to other countries .

Waller's assessment of Chavez's psychological state and his suggestion of a strategy for regime change seems even less plausible. From Waller's perspective, his call for regime change benefits the U. S. if the Chavez government is replaced with one that is

more U. S. friendly. Such a strategy, however, not only prematurely assumes the next government will be pro-U. S., but it is not practical as it contradicts the U. S. national strategy of the promotion of democracy and damages U. S. credibility. Any overt attempt to remove Chavez only gives credence to Chavez's arguments of America infringing upon the sovereignty of individuals, particularly in light of the fact he came to power in free and open elections. Just as Hamas demonstrated in its victory in parliamentary elections in Palestine, so too has Venezuela demonstrated that democracy does not always have to take shape in the form of the U. S. model. This something the current U. S. administration fails to accept at times, and as a result, it has often refused to deal with regimes unfriendly towards the administration. This could also indicate the current administration does not consider Chavez as much of a threat, since it does very little to counter his influence despite the growing trend towards authoritarian populist dictators in Latin America; or that the administration is too preoccupied in other conflicts around the world to engage Chavez at this time.

Nikolas Kozloff's analysis does not offer a policy solution. He does, however, a good job of outlining the challenges Chavez presents to the U. S. while at the same time presenting the arguments as why Chavez's ideology resonates with any who feel disenfranchised with failed U. S. trade policies. Kozloff acknowledges some countries are willing to enter into agreements with Venezuela so as not to be so dependent on U. S. trade policies which have often failed within their own countries. While Chavez is a polarizing figure within the hemisphere, he is not Castro (despite their fond relationship), and Venezuela is not Cuba. Many countries feel that the U. S. is just as polarizing particularly when it acts unilaterally in the region. It is this kind of disenfranchisement

which makes Waller's argument for a united front an unlikely solution as well. For those Latin American leaders who are less ideologically radical than Chavez, it is not in their best interests to choose to align themselves with one side or the other. Chavez, with his oil diplomacy, and the U. S., as the traditional hegemony, both wield a great deal of influence in the region and must be treated with accordingly.

Between July 2007 and December 2007, the total crude oil and products the U. S. purchased from Venezuela averaged 41,937 monthly thousand barrels, as opposed to an average 15,105 monthly thousand barrels from Iraq (See Appendix A)<sup>28</sup>. The point Kozloff makes regarding Chavez's oil diplomacy is simple. Chavez has oil and lots of it, and the U. S. is extremely dependent on oil. As long as this is the case, Hugo Chavez does and will continue to wield a lot of influence in the region. Kozloff, even goes so far to suggest that Chavez is using his oil diplomacy to influence sectors within the U. S. by providing discount oil to low income neighborhoods, pre-dominantly as part of a strategy for forging ties with racial minorities.<sup>29</sup> Such practices create divides even within the U. S. political system and carry with it some influence among U. S. politicians. Additionally, these trade agreements, which are exclusive to the U. S., allow Chavez to circumvent any dissention from the Bush administration and undermine U. S. trade proposals for the region.

Manwaring and Waller both call for de-legitimization of the Chavez government as a way of dealing with their perceived threats to U. S. national interests. Manwaring's populace oriented paradigm could be implemented immediately in the form of a media campaign designed to de-legitimize Chavez. This is similar to Waller's suggestion of using international pressure for de-legitimization through the Organization

of American States (OAS) which gives the appearance the U. S. is trying to work through problems in a diplomatic fashion vice trying to impose its will on the rest of Latin America, as is perceived by many of the countries within Latin America. De-legitimization is a sound approach. The problem the U. S. faces with regard to this approach, however, is that its credibility and legitimacy has been severely damaged through decades of acting unilaterally within the region and marginalizing Latin America altogether as the U. S. pursued other political objectives deemed more important to its national interests. For this strategy to work effectively the U. S. would have to re-establish its credibility throughout the region, not so much as the hegemonic influence, but as a diplomatic heavyweight that is truly concerned about the other nations in the region.

### Conclusion

In the one hundred and three years since the introduction of the Roosevelt Corollary to the Monroe Doctrine in 1904, the U. S. has had a long history of intervening in Latin America. Originally developed to keep European powers from meddling in Western Hemisphere affairs, the Roosevelt Corollary has helped the U. S. hegemony in Latin America virtually go unchallenged for over a century. Today, however, the challenge of Hugo Chavez presents a new dilemma for U. S., from within the U. S.'s own backyard, one that could threaten democracy altogether in the region. What makes Chavez different from say Castro, Hussein, and Kim Jong Il, is he is the only one of these leaders who came to power in free and open elections, and therefore much harder for the U. S. to isolate Venezuela, as they have these other countries. The U. S. was better equipped to fight the Cold War communism because it gave the U. S. the moral

high ground. While the U. S. might prefer to deal with someone other than Chavez in Venezuela, the reality is he is there, he was elected democratically, and he is viewed by the international community as a legitimate leader.

To answer the question as to whether or not Chavez is a threat to U. S. national interests, the answer is he is certainly a potential threat. He clearly has the ability to threaten U. S. interests in a few ways. Despite being a democratically elected leader, Chavez's attempts at constitutional reforms are clearly designed to open the door for legislation that could keep him in power for a very long time, for life. If Chavez's influence continues to undermine and destabilize other democracies in the region, his 21<sup>st</sup> century socialism could threaten democracy as a whole in Latin America. If established democracies begin to falter and de-stabilize, the U. S. will eventually be required to step in to protect its interests. If that happens, the U. S. can ill afford to have diplomatic credibility issues. Such a lack of credibility and marginalization of the region is probably one of the root causes for the rise of Chavez's influence. Many Latin American countries, including Venezuela, which was long considered a pillar of democracy are looking for alternatives to a U. S. hegemony. For some countries, the prospect of a Chavez led hegemony is not very enticing either.

As Chavez consolidates his power, the longer he is able to stay in power. The longer he stays in power, the more influence he can personally have not only within Latin America but also wield considerable influence with those nations that reside within OPEC. Chavez has already demonstrated the ability to do so when he hosted the heads of state of the OPEC nations in September of 2000 and advocated greater restraint in crude oil output in order to keep oil prices high.<sup>30</sup> Additionally, while it is unlikely that Chavez

plans to obtain weapons of mass destruction, his relationship with Iran not only highlights a common antagonistic relationship they both share with the U. S., but is clearly designed to send a message to the U. S. that Chavez is not someone to be ignored. As such, the U. S. needs to consider what the strategic implications would be if Chavez did obtain nuclear weapons, cut off oil to the U. S. or completely destroy the oil infrastructure of the Venezuela.

So, how does the U. S. answer the question, "how does it address this potential threat?" Of all the analysts, Kozloff offers the most realistic approach. He presents Chavez's oil diplomacy as a challenge to U. S. dominance and credibility in the region and suggests if the U. S. does not engage itself diplomatically that its voice may not be as readily heard as it always has been, historically speaking, within the region.

To further develop an answer to the potential threat, the U. S., in the near term, must re-engage itself diplomatically with the region. It must gain back the respect and credibility it once had in the region. Once it does that it can legitimately go about the task of de-legitimization of the Chavez government. Secondly, in the mid-term future, the U. S. can look to decrease the amount of oil it buys from Venezuela. This would probably take a least a few years for the U. S. to change its buying habits and it would have to have an alternative to replace it. Recent off-shore discovery of oil in Brazil could make Brazil a major oil exporter.<sup>31</sup> This could give the U. S. a way to wean itself off Venezuelan oil with Brazil acting as a competitor. Such a project could take one or more U. S. administrations to put the necessary infrastructure in place, such as refineries, and other infrastructure before it could see the potential benefits. Lastly, the ultimate goal for the U. S. in the long term future, should be to rid itself of its oil dependency. Exchanging

Venezuelan oil, for say Brazilian oil, is only a temporary solution that could weaken Chavez, but doesn't solve the problem of oil dependency. The U. S. must also do more with the international community to pressure countries, like Venezuela, to promote democracy and support opposition parties that counter Chavez.

In the most recent constitutional referendum in Venezuela (December 2007), Chavez was unsuccessful in convincing the Venezuelan people to do away with presidential term limits. The recent loss, however, is telling. Whether it is unification of the opposition or even a break within his own circles, the Venezuelan people proved they are not ready to potentially put somebody in office for life and risk a Castro style government. With his remaining years left in office, this loss is unlikely to deter Chavez from continuing to push his reforms. Having attempted a coup, and survived one against his own government, Chavez is as divisive as ever. He has openly stated his intent to remain in power until 2021.<sup>32</sup> If it is accepted that Chavez is headed towards dictatorship, which he appears to be, he could create enough strife either domestically or externally with neighboring countries so as to attempt to make a power grab through a self-decree of his proposals into law. If we continue to ignore such problems, and allow Hugo Chavez to go unchecked he will continue to promote his own hemispheric doctrine, perhaps the "Chavez Corollary", and continue to carve out a new hegemony within the region that could ultimately threaten U. S. national interests.

APPENDIX A

U.S. Imports by Country of Origin

Product: Total Crude Oil and Products

Period/Unit: Monthly-Thousand Barrels

Import Area: U.S.

<input checked="" type="checkbox"/> Download Series History <input type="checkbox"/> Definitions, Sources & Notes							
Show Data By:		Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
<input type="radio"/> Product <input type="radio"/> Import Area <input checked="" type="radio"/> Country							
<b>All Countries</b>		423,988	421,565	409,164	401,452	395,853	398,49
<b>Persian Gulf</b>		65,061	67,295	70,004	64,376	68,431	69,84
<b>OPEC*</b>		177,536	189,283	187,486	173,789	178,232	189,36
Algeria		22,634	25,650	21,057	12,719	13,423	18,61
Angola		12,526	12,786	17,731	10,610	12,459	13,62
Indonesia		560	1,254	1,022	487	202	58
Iraq		14,265	16,129	18,095	15,197	15,228	11,71
Kuwait		6,267	4,324	5,089	4,860	4,608	4,90
Libya		5,718	3,937	2,232	4,114	3,104	4,28
Nigeria		28,071	37,458	35,439	38,468	39,184	39,41
Qatar							
Saudi Arabia		44,529	46,463	46,798	43,394	48,595	52,27
United Arab Emirates			67	22	925		95
Venezuela		42,966	41,215	40,001	43,015	41,429	43,00
<b>Non OPEC*</b>		246,452	232,282	221,678	227,663	217,621	209,12
Albania							
Argentina		846	1,687	1,658	1,100	2,745	2,89
Aruba		3,159	3,483	3,506	1,551	1,832	3,32
Australia			497				89
Austria							
Azerbaijan		2,715	1,322	2,290	1,258	2,726	4,28
Bahamas		77	78	140	224	140	7
Bahrain			312				
Barbados							
Belarus		349	606	637	272	204	40

Belgium	3,801	3,363	1,776	2,554	3,229	2,30
Belize						25
Benin						
Bolivia			269		295	
Brazil	6,140	8,685	6,957	6,104	2,537	5,52
Brunei	135	370	338	340		
Bulgaria	288	529	558			
Burma						
Cameroon	1,910	2,210		1,369	41	31
Canada	73,150	77,822	75,063	74,727	72,933	73,15
Chad	1,904	1,911	2,942	2,984	3,205	2,92
Chile	701	277	213	457		28
China	359	304	447	293	38	:
China, Taiwan	1,366	1,205	711	605	72	16
Colombia	7,175	5,432	5,567	5,414	6,573	4,01
Congo (Brazzaville)	1,422	1,632	2,232	1,898	1,354	97
Congo (Kinshasa)						
Cook Islands						
Costa Rica	128	129		220		5
Croatia						
Cyprus						
Denmark	277	36		610		
Ecuador	5,333	7,440	7,181	7,144	4,817	6,22
Egypt	574			681	278	
El Salvador	142	353	205	213	83	4
Equatorial Guinea	3,514	459	1,520	1,523	1,533	2,41
Estonia	538	287	460	89	1	
Finland	1,002		140	1,058	929	
France	1,294	1,099	2,498	1,768	2,025	1,36
Gabon	1,964	1,917	899	1,474	2,090	1,47
Georgia, Republic of		409				
Germany	3,071	1,264	1,648	2,064	2,514	1,43
Ghana					50	14
Greece	327	293		222		
Guatemala	530	257	541	269	262	
Guinea						

Hong Kong						
Hungary	1	1				
India	836	854	119	1,000	2,700	37
Ireland	202			370		28
Israel		36	46			
Italy	2,888	1,620	1,913	2,655	992	1,68
Ivory Coast		156	156	209		
Jamaica	101	146	113	292	111	10
Japan	2,347	1,251	808	1,643	205	28
Kazakhstan	192	1,223	1,434	1,322	54	25
Korea, South	4,072	4,414	2,616	2,857	3,574	1,97
Kyrgyzstan						
Latvia	956		274	265	262	97
Lithuania	68	505	300	381		
Malaysia	910	603	119	417	443	46
Malta						
Mauritania						
Mexico	49,929	45,691	43,612	43,917	47,422	40,96
Midway Islands				22	19	
Morocco	257			448		
Nambia						
Netherlands	4,031	3,924	4,081	5,415	1,752	4,87
Netherlands Antilles	221		505		228	4
New Zealand						
Niue						
Norway	4,232	3,458	3,144	3,408	2,997	3,41
Oman		2,442	3,461	1,413	1,395	52
Pakistan						
Panama						34
Papua New Guinea						
Peru	884	1,871	1,335	829	1,014	58
Philippines	191					
Poland	8	25				
Portugal	860	799	1,542	926	626	76
Puerto Rico						
Romania	16	8				

Russia	16,270	12,909	11,671	14,022	14,103	9,48
Senegal						
Singapore	570		116	399	359	
Slovakia						
South Africa	13	844	11	8	1,635	
Spain	2,000	876	1,803	862	1,726	1,09
Spatly Islands	43					
Swaziland						
Sweden	744	791	52	445		1,13
Switzerland	1			1		
Syria						
Thailand	389	351	540	398	449	39
Togo						
Trinidad and Tobago	2,618	2,603	2,556	3,571	2,476	2,89
Tunisia	1,954	1,271				50
Turkey	187	339	434	891		40
Turkmenistan	49	525	496	132	235	11
Ukraine	233				75	
United Kingdom	11,443	5,381	5,563	8,908	6,302	7,36
Uruguay						
Vietnam	1,007	851	936	685	1,544	88
Virgin Islands (U.S.)	11,538	9,913	11,526	11,067	12,417	11,98
Yemen		933				

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19. Waller, pg 4
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21. Waller, pg 14
22. Kozloff, Nicolas "Hugo Chavez: Oil, Politics, and the Challenge to the U. S."pg 114
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24. Kozloff, pg 73
25. Kozloff, pg 117
26. Kozloff, pg 112
27. Kozloff, pg 113
28. Information in Appendix A obtained from The Energy of Information Administration (EIA) website (Official Energy Statistics of the U. S. Government) <http://www.eia.doe.gov/>. The average total crude oil and products the U. S. purchased from Venezuela between July 2007 and December 2007 was 41,937 monthly thousand barrels. The average purchased from Saudi Arabia and Iraq, during the same period, were 47,008 and 15,505 monthly thousand barrels respectively. The EIA lists Venezuela as the U. S.'s fourth largest supplier of total crude oil and products behind Canada, Mexico, and Saudi Arabia.
29. Kozloff, pg 176
30. Kozloff, pg 25
31. Associated Press "Offshore Oil Discovery Could Help Make Brazil Major Petroleum Exporter" (International Herald Tribune (Nov. 8, 2007)
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